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# ***Daily Report***

## **East Asia**

FBIS-EAS-94-030  
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# Daily Report

## East Asia

FBIS-EAS-94-030

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**NOTICE TO READERS:** An \* indicates material not disseminated in electronic form. DAILY REPORT volume 029 was not published.

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## **Further on Jakarta Nonaligned Movement Meeting**

### **Ministers Urge G-77 Cooperation**

*BK1002161294 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 10 Feb 94*

[Text] The Nonaligned Movement's foreign ministers have called on Algeria, 1994 chairman of the Group of 77, to intensify cooperation and solidarity among developing countries in GATT talks. They pointed out that while the GATT talks are deadlocked, a new forum called World Trade Organization has been established.

This was disclosed by Foreign Minister Ali Alatas after the second-day session of the Nonaligned Movement's foreign ministers in Jakarta today. Alatas noted that there has hardly been any cooperation among the G-77 member countries during the seven-year-old Uruguay Round talks. As for the next chairman of the Nonaligned Movement, Alatas said Nicaragua had officially submitted its candidacy, but this country needs time to consult with Latin American countries.

### **Minister on Bosnian Arms Embargo**

*JN1002174694 Amman PETRA-JNA in Arabic 1545 GMT 10 Feb 94*

[Excerpts] Jakarta, 10 Feb (PETRA)—A meeting of the Consultative Ministerial Council of the Nonaligned Movement opened in Jakarta today. The meeting is chaired by Indonesian Foreign Minister Ali Alatas.

Talal Sat'an al-Hasan, minister of state for foreign affairs and head of Jordan's delegation, made a speech at the opening session. [passage omitted]

Explaining Jordan's position on the Bosnian issue, the minister of state for foreign affairs pointed out that the war crimes committed by Serbian forces have continued despite international condemnation. He said: The siege on the city of Sarajevo and Muslim regions is getting worse. Ethnic cleansing is increasing at a fast pace. Mass murder and the shelling of civilian targets are getting uglier. More than 260 civilians were either killed or injured. This is an indication of the ugliness of this crime and the Serbs' unmatched barbarity.

The minister of state for foreign affairs added that after the partition of former Yugoslavia, Jordan was among the first countries to dispatch troops under the UN flag. Jordan now has the second largest contingent of peacekeeping troops after France.

Talal Sat'an al-Hasan added: Jordan strongly condemns Serbian crimes and is amazed at the silence of the international community toward Serbian disregard for international legitimacy and resolutions. Jordan believes that dialogue is a way of settling disputes. Therefore, it calls for an immediate cease-fire, starting talks, and lifting the Bosnian arms embargo to achieve a balance in military capabilities between the two warring parties.

Al-Hasan said Jordan urges measures and supports an urgent meeting for the Security Council, as proposed by the chairman, to restore peace to war-torn Bosnia. According to the proposed measures, there should be an end to the continued Serbian encroachments on the international borders of the Republic of Bosnia-Herzegovina and the Republic of Croatia, in line with Security Council Resolution 796 of 1992. Also, the former Republic of Yugoslavia (the Serbs) should be forced to stop arms supplies to Serbian militias operating within the borders of the Republic of Bosnia in line with Security Council Resolution 819 of 1993, lift the siege on the city of Sarajevo and other cities, and adopt measures to protect holy and residential areas. [passage omitted]

### **ICO Group Offers Troops to Bosnia**

*BK1102074494 Jakarta ANTARA in English 0430 GMT 11 Feb 94*

[Text] Jakarta, Feb 10 (ANTARA)—The Organization of Islamic Conference (OIC) member countries pleaded to send some 10,000 troops to be deployed as part of the United Nations peacekeepers in Bosnia-Herzegovina.

"Within the U.N. system, we offer 10,000 troops which will come from Malaysia, Jordan, Pakistan, Egypt," chairman of the OIC contact group Pakistani Foreign Minister Sardar Asif Ahmad Ali told a press conference here Thursday.

In the fringes of the limited ministerial meeting of the Nonaligned Movement (NAM) some ministers of the OIC contact group on Bosnia also conducted an informal meeting to discuss the deteriorating situation of Bosnia-Herzegovina.

The Pakistani foreign minister also said that besides the peacekeeping troops, OIC foreign ministers also agreed to support NAM chairman's proposal of convening an appropriately-structured international conference on Bosnia-Herzegovina.

President Suharto upon receiving Bosnian President Alija Izetbegovic recently mentioned the possibility of launching an international conference on Bosnia to find a just settlement to the conflict in the region.

"We welcome NAM chairman's decision to conduct a meeting through the NAM coordinating bureau in New York to demand more effective measures to be undertaken by the U.N.," Minister Asif, who was accompanied by Malaysia's Foreign Minister Abdullah Ahmad Badawi, said.

He added that the OIC contact group ministers have expressed their strong support for the convening of a special session of the general assembly to bring an end to the genocide and carnage in Bosnia-Herzegovina.

When asked about NATO's 10-day ultimatum before launching air strikes if Serb artillery and other heavy

weapons are not withdraw and placed under U.N supervision, the minister said, such a threat would not ensure Serbs' withdrawal of its forces.

Stating that the OIC contact group on Bosnia are not satisfied with NATO's decision, he urged NATO to immediately use its sophisticated armament, the one that had been used successfully in Iraq to launch immediate strikes against the Serbs.

"It would not ensure that [words indistinct] air strikes against the Serb military forces, he said that finding a solution for the Bosnia-Herzegovina should be the prime responsibility of the European Union and NATO.

Asif took the occasion also to remind that conflicts in the Balkan country had triggered the World War I and II, saying that "If the condition in Bosnia-Herzegovina will be worsen, the European countries will directly be affected."

#### **Russia Applies for Guest Membership**

*BK1102045294 Jakarta ANTARA in English 0328 GMT 11 Feb 94*

[Text] Jakarta, Feb 11 (ANTARA)—Foreign Minister Ali Alatas has said that Russian president Boris Yeltsin has sent a letter applying for a NAM [Nonaligned Movement] guest member to the NAM chairman, President Suharto.

"I inform you that Yeltsin has sent an official letter requiring a status as NAM guest member," Alatas told a press conference here Thursday.

According to Alatas, the application letter will procedurally be delivered to the Coordination Bureau of NAM in New York, the U.S. for discussion. The minister also expressed confidence that the Russian wish would be accepted.

Meanwhile, chairman of the NAM Executive Board Nana Sutresna pointed out that the presence of the Russian application letter indicated an appreciation to the Indonesian leadership.

"Such an appreciation does not only come from NAM member countries but also from non-NAM member nations due to Indonesia's consistence in implementing decisions made at the NAM summit in Jakarta last year," Sutresna added.

NAM's guest members included Austria, Australia, New Zealand, Sweden, the Netherlands and Germany. As a NAM guest member, according to Sutresna, a country cannot take part in debates and is not involved in drafting decisions. However, a NAM guest member country has the advantage of getting information on the South nations' stance and considerations from the first hand, he said.

#### **Indian Minister Cited on Pakistan**

*BK1202071694 Delhi All India Radio Network in English 1530 GMT 11 Feb 94*

[Text] India has again strongly protested against Pakistan's bid to raise the Kashmir issue at the international forum. The minister of state for external affairs, Mr. R.L. Bhatia, told the NAM [Nonaligned Movement] foreign ministers meeting at Jakarta that Pakistan is misusing the forum by raising an issue which has to be resolved bilaterally. He said the foreign secretaries of the two countries had met recently and New Delhi had made proposals on resolving bilateral issues. Islamabad's reply is still awaited. He said violating the well-established NAM tradition, Pakistan had raised the Kashmir issue. He asserted that Kashmir is an integral part of India—the largest practicing democracy with independent judiciary and a free press. Fundamental human rights for all its citizens are enshrined in the Indian Constitution. Mr. Bhatia was using the right to reply after a Pakistani delegate raised the issue at the meeting yesterday.

#### **ANTARA on Meeting Outcome**

*BK1102054294 Jakarta ANTARA in English 0407 GMT 11 Feb 94*

[Excerpts] Jakarta, Feb 11 (OANA-ANTARA)—Several foreign ministers from the Nonaligned Movement (NAM) meeting here expressed their concern over a number of unsettled conflicts in parts of the world including Bosnia, Somalia and the Middle East. At the consultative meeting of NAM foreign ministers that ended on Thursday, they urged the international community to take serious steps in stopping the human tragedies that have claimed thousand of innocent lives.

With regard to the civil war in Bosnia-Herzegovina, the ministers agreed to seek the implementation of resolutions by the United Nations Security Council (UNSC) including enforcing "safe areas" and limited air strikes on the Serbian troops in Bosnia. [passage omitted]

Another human tragedy that was called to attention during the meeting was the protracted conflict that spawned famine, anarchy and massive loss of lives in Somalia.

Foreign Minister Alatas said that the problem today was made more complicated by the intended pullout of US, French, Italian and Turkish troops that formed the bulk of UN peacekeeping forces in Somalia. The withdrawal of the troops, he said, would aggravate problems in the region since NAM's troops from India, Pakistan and Malaysia would be caught between the warring factions.

"An undermanned and underarmed UN force may not be able to forestall renewed factional fighting," Alatas stressed. He also assured NAM's continued support for the UN effort by offering meeting places for constructive consultations among the political factions in Somalia to achieve a comprehensive solution.

"It is up to Somali people and their leaders to bring their country out of the abyss, but we remain hopeful that they will respond positively to the declaration issued last December by the 4th coordinating meeting for the establishment of a committee to launch the reconciliation process," Alatas said.

On the issue of the Arab-Israeli conflict, Alatas said that NAM welcomed the signing of the declaration of principles on interim self-government arrangements between the PLO [Palestinian Liberation Organization] and Israel. Alatas said the peace accord, together with the mutual recognition by the PLO and Israel, constituted the first essential step in the long journey toward a peaceful settlement of the Middle East conflict.

"Since then, however, there has been a significant measure of disillusionment as further negotiations to flesh out its basic provisions have encouraged numerous obstacles," he added. He said the remaining obstacles to end the conflict were mainly inconsistent with both the letter and spirit of the declaration.

"We are deeply concerned that the terms of Israeli withdrawal to designated areas by December 13, 1993 set up during the September peace accord has not yet materialised," Alatas said. Every effort, according to the minister, must be exerted to ensure Israel's compliance with the provisions of the September agreement which constituted the first step toward a comprehensive solution which involve the withdrawal of Israeli troops from all Palestinian and Arab territories.

**Thailand, Burma, Laos Plan Narcotics Task Forces**

*BK1102035694 Bangkok BANGKOK POST in English  
11 Feb 94 p 8*

[Text] Thailand yesterday agreed to set up border task forces with Burma and Laos to improve the efficiency of local officials from the three countries in their joint campaign against illegal drugs trade.

Narcotics Control Board Secretary General, Chaowalit Yotmani, said the Thai-Burmese and Thai-Lao border task forces would enable anti-narcotics officials to take immediate action to prevent and suppress the production and trafficking of narcotics without having to wait for the decision of the governments of the respective countries.

The task forces would also make way for the improvement of intelligence operations and a better flow of information about drug traffickers among Thai Lao and Burmese officials, Pol Gen Chaowalit said.

Agreements on the border task forces were reached at yesterday's second ministerial-level meeting on drugs prevention and suppression in Rangoon which was attended by top government leaders and senior officials of Thailand, Laos and Burma.

The Thai task forces will be headed by Narcotics Suppression Bureau commissioner Somchai Milindarangkun. Pol Lt Gen Somchai said the first meeting of Thai and Burmese officials will be held in Chiang Rai's Mae Sai District opposite Burma's border town of Tachilek in March, to work out joint drugs prevention and suppression plans. The date of the meeting with Laos has not yet been scheduled but the venue will be in the northeastern province of Nong Khai, he said.

Pol Lt Gen Somchai conceded that coordinating efforts with Burma was likely to be more difficult than working with Laos as Thailand and Laos have already been close to one another and have always exchanged information. He said Thailand should strengthen its cooperation with Burma 90 both sides can have a common understanding and trust one another.

"Trust in each other would help boost efficiency in our attempt to get updated information that would lead to the arrest of drug traffickers," he said.

Meanwhile, Pol Gen Chaowalit said Thailand and Burma would also hold a discussion on problems about minority groups along their common border because

some of these groups have been involved in narcotics production. He said the three countries also agreed that meetings of their senior anti-drugs officials would be held twice a year and a ministerial-level meeting once every two years. Cooperation would also be sought from China and Vietnam and these two countries will be invited to join in the next meeting, he said.

Thailand earlier pledged to provide training assistance under 18 drug prevention and suppression projects to Burma and Lao officials between 1994 and 1996 at a cost of 8.2 million baht.

The meeting, which ends today, will be wrapped up with the signing of a joint declaration on narcotics suppression cooperation by Deputy Prime Minister Amnuay Virawan, Burma's Interior Minister Mya Than and Lao-tian PM's Office Minister Phao Bounaphon.

A joint declaration on the elimination of narcotics and drug trafficking in the region was signed at the first ministerial-level meeting in Bangkok in 1992.

**Joint Declaration Issued**

*BK1302095494 Vientiane Vitthayou Hengsat Radio  
Network in Lao 0500 GMT 13 Feb 94*

[Text] Laos, Myanmar [Burma], and Thailand called on the international community to render sponsorship and technical and financial assistance and cooperation to fight narcotics problems. The appeal was contained in the joint declaration issued at the second ministerial-level meeting on cooperation on the control of drug abuse between Laos, Myanmar, and Thailand which concluded on Wednesday.

The joint declaration said: The three nations are deeply concerned with the unprecedented and alarming spread of narcotic drug abuse in all regions of the world, thus causing long-term adverse effects on the users themselves as well as on their families.

The three sides unanimously agreed that coordination is needed at three levels—national, regional, and sub-regional. The three countries agreed that the ministerial-level meeting on cooperation on controlling drug abuse should be held every two years to review progress of cooperation and to map out future cooperation plans. Senior officials on drug control from these countries will hold a meeting at least once a year to consult about the trends of drug use and trafficking as well as measures to suppress this problem.

The next ministerial-level meeting of the three countries will be held in Laos in 1996.

## Japan

### Hata, Perry on Monitoring PRC Military Buildup

OW1202022994 Tokyo KYODO in English 0221 GMT  
11 Feb 94

[Text] Washington, Feb. 11 KYODO—Japanese Foreign Minister Tsutomu Hata and U.S. Defense Secretary William Perry agreed Friday [11 February] to closely monitor China's military buildup to help ensure peace and stability in the Asia-Pacific region, Japanese officials said.

They said Hata used the meeting to emphasize to the United States that Japan has no intention to arm itself with nuclear weapons.

In response to calls by some U.S. lawmakers for Japan to halt cash remittances by North Korean residents in Japan, Hata said without elaboration that he understands some money is sent from Japan to North Korea via a third country, the officials said.

### Hata Resumes Talks With Kantor 11 Feb

OW1102074794 Tokyo KYODO in English 0638 GMT  
11 Feb 94

[Text] Washington, Feb. 11 KYODO—Japan's Foreign Minister Tsutomu Hata resumed talks with U.S. Trade Representative Mickey Kantor in the early hours Friday [11 February] in a bid to break the deadlock in the so-called framework trade talks ahead of Friday's U.S.-Japan summit.

Japanese officials said Hata left Blair House shortly before 1 A.M. for his third encounter with Kantor since Thursday morning.

"There is always room for mutual concessions," Hata told reporters as he showed up at Kantor's office for the meeting.

The sticking point centers on a dispute over how to set "objective criteria" to measure imports into Japan.

Japanese officials say the United States insists on interpreting "objective criteria" as numerical yardsticks.

"Without objective criteria, we can't have a good agreement," U.S. Treasury Secretary Lloyd Bentsen was quoted as telling Hata in a meeting Thursday evening.

Senior administration officials have warned that President Clinton has made it clear he would rather have no agreement than "a bad agreement" by papering over differences.

Officials from Japan and the United States have only until 11:30 A.M. to close an agreement. Prime Minister Morihiro Hosokawa is scheduled to meet with Clinton at that hour.

## Prospects Look 'Elusive'

OW1102085194 Tokyo KYODO in English 0833 GMT  
11 Feb 94

[By Antonio Kamiya]

[Text] Washington, Feb. 11 KYODO—Japan's Foreign Minister Tsutomu Hata returned to the negotiating table with U.S. Trade Representative Mickey Kantor in the early hours Friday [11 February], keeping hopes alive for a last-minute breakthrough on the ongoing trade dispute with Washington prior to the U.S.-Japan summit Friday morning.

"There is always room for mutual concessions," Hata told reporters as he showed up at Kantor's office for the meeting, their third round of talks since Thursday morning.

Hata returned to face the top U.S. trade negotiator after a round of consultations with Prime Minister Morihiro Hosokawa, who arrived in Washington Thursday evening for the summit meeting with President Bill Clinton.

Negotiators from the two countries have been trying to work out an accord by the time the two leaders sit down for talks at 11:30 A.M. Friday (1:30 A.M. Saturday Japan time.)

Prospects of a mutually acceptable accord looked elusive throughout Thursday as both countries seemed to harden their positions over the so-called "objective criteria" for measuring progress in sales of foreign goods and services in Japan.

"It is difficult," Japan's Deputy Foreign Minister Koichiro Matsuura told reporters after emerging from the second round of talks between Hata and Kantor Thursday evening.

U.S. Officials agreed.

"I'm sorry to say it doesn't look like we're doing real well," U.S. Commerce Secretary Ron Brown told reporters after a dinner speech. "I'm not encouraged."

Japanese officials said the United States insists on working out "objective criteria"—some kind of measurable goals—to gauge Japan's progress in opening its markets for foreign goods.

"Without objective criteria, we can't have a good agreement," U.S. Treasury Secretary Lloyd Bentsen was quoted as saying in a separate meeting with Hata Thursday evening.

Senior Clinton administration officials have warned that Clinton has made it clear he would rather have no agreement than "a bad agreement" reached by papering over differences.

In between negotiations with Kantor, Hata also took up Japan's case—Tokyo's commitment to open up its markets and deregulate its economy—in separate meetings with Vice President Al Gore and Secretary of State Warren Christopher.

Hata even took time out from a frenzied schedule for an informal dinner meeting with U.S. lawmakers to sound out the mood at Capitol Hill, which has increasingly called for a get-tough U.S. trade policy with Japan.

There was no crack in the responses Hata heard from his U.S. hosts.

Japanese officials said Gore reiterated the Clinton administration's position that "objective criteria" are essential for measuring trade results.

The controversy stems from an agreement reached between Tokyo and Washington last July that provides for the use of "objective criteria, either qualitative or quantitative," to determine whether foreign companies had made headway in penetrating the Japanese market.

U.S. officials have argued for a "results-oriented" trade policy with Japan as past trade agreements have failed to dent Japan's global trade surplus, which totaled 130 billion dollars last year, almost half of it with the United States.

Christopher, talking to reporters before his meeting with Hata, emphasized that Washington is determined to change the situation.

"The United States is determined that we will redress the great imbalance in our trade. We will seek in a determined way access for American business in the Japanese market," Christopher said in a photo-taking session prior to his meeting with Hata.

The sharp dispute over "objective criteria" was not the only problem Hata faced in his encounters with key members of the Clinton administration Thursday.

Washington also launched a barrage of criticism against the 15 trillion yen tax cut and government spending plan Tokyo announced earlier this week, saying it will be ineffective for stimulating the ailing Japanese economy.

Japanese officials said Hata heard the U.S. displeasure in talks with both Bentsen and Gore.

Christopher openly criticized the Japanese economic plan in the photo-session with Hata, saying the U.S. is "disappointed" with the program.

Along with opening markets, Tokyo also pledged last July to take macroeconomic measures to stimulate the Japanese economy as part of Japan's efforts to reduce its global trade surplus by boosting demand for imports.

The shape of the Japanese economy is expected to be high on the agenda at the Friday meeting between Hosokawa and Clinton.

### **Predawn Meeting Ends; No Solution**

*OW1102094094 Tokyo KYODO in English 0930 GMT  
11 Feb 94*

[By Antonio Kamiya]

[Text] Washington, Feb. 11 KYODO—Top Japanese and U.S. trade negotiators ended a predawn meeting Friday [11 February] apparently without breaking a deadlock on how to measure imports to Japan and leaving the success of the imminent U.S.-Japan summit in jeopardy.

"It remains somewhat difficult," Japan's Foreign Minister Tsutomu Hata told reporters after emerging from a three-hour meeting with U.S. Trade Representative Mickey Kantor.

Hata said he is not sure whether he and Kantor will return to the negotiating table prior to the summit meeting between Prime Minister Morihiro Hosokawa and President Bill Clinton.

Hata and Kantor resumed the latest round of negotiations, their third since Thursday morning, at 1 A.M. Friday in a bid to break the deadlock in the ongoing trade talks.

"There is always room for mutual concessions," Hata told reporters on arrival at Kantor's office, fanning hopes that an accord could be coming.

Hata returned to face the top U.S. trade negotiator after consultations with Hosokawa, who arrived in Washington Thursday evening for the summit meeting with Clinton.

Negotiators from the two countries have been trying to hammer out an accord by the time the two leaders sit down for talks at 11:30 A.M. Friday (1:30 A.M. Saturday Japan time.)

Japanese officials said the United States insists on working out "objective criteria"—some kind of measurable goals—to gauge Japan's progress in opening its markets to foreign products.

"Without objective criteria, we can't have a good agreement," U.S. Treasury Secretary Lloyd Bentsen was quoted as saying in a separate meeting with Hata Thursday evening.

Senior Clinton administration officials have warned that Clinton has made it clear he would rather have no agreement than "a bad agreement" reached by papering over differences.

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## Hosokawa's Activities During U.S. Visit Noted

### Hosokawa-Clinton News Conference

OW1202000194 Tokyo NHK General Television  
Network in Japanese 1948 GMT 11 Feb 94

[News Conference by Prime Minister Morihiro Hosokawa and President Bill Clinton with unidentified foreign and domestic correspondents at the White House—live; President Clinton speaks in English with simultaneous translation into Japanese]

[Text] [Clinton] Helen, may I say one thing before we begin: I will call on American journalists first, and the prime minister will call on Japanese journalists. This is not a numerical target.

[Correspondent in English with simultaneous translation into Japanese] I think the Japanese really thought last July that they could reach an agreement. Among the industrialized seven [G-7] nations, Japan has the most tightly closed market. Why?

[Clinton] First of all, the G-7 agreement or the framework agreement we signed with Japan last summer, was good. Both sides understood that they had to implement the agreement. However, the people who signed the agreement last summer are not here to fulfill their agreement. I do not mean to say that they were lacking sincerity. However, we ourselves could not reach an agreement on the basis of the previous agreement.

[Same correspondent] Why?

[Clinton] We could not agree on what kind of evidence we could use to measure market liberalization, for example.

[Hosokawa] We understand that we have made some progress on the issues of government procurement or insurance services. Unfortunately, however, we could not clear the issue of numerical targets. We deeply regret that we could not reach an agreement on setting numeric targets. As the president said earlier, both sides will readjust what we can readjust and try to buckle down to the task to reach a better agreement.

[Correspondent] When do you think you will reach an agreement on what you could not do this time?

[Hosokawa] I do not know. As soon as possible, I hope. However, we may need time to cool off.

[Correspondent in English with simultaneous translation into Japanese] Mr. President, let me ask you a question on the Bosnian issue. There is a possibility that there will be discord between you and President Yeltsin. He is saying that NATO does not have the right to launch air raids on Bosnia. But, you are saying that NATO does. Is there a way to fill the gap?

[Clinton] We talked about it on the phone today. The secretary general of the United Nations told President

Yeltsin that NATO is acting on the basis of the resolution the Security Council adopted last summer. In other words, NATO has the authority to stop the shelling of Sarajevo. I think NATO will remove weapons from areas within a 20-kilometer radius from Sarajevo. However, discussions are now underway. Anyhow, this will bring about peace in the long run and we agreed, as a short-term measure, to stop the act of killing civilians.

[correspondent] Now that the trade agreement has failed, how optimistic is your administration about the possibility of a future agreement?

[Clinton] I just do not know. As you know, the problem may be a parlance matter or an emotional matter. But, Japan's position is that it does not want to set numerical targets that may lead to managed trade. I understand their position well. We want some kind of objective standards to measure whether Japan's market opening is progressing. Without such objective criteria—as in the past—it is quite difficult to measure progress. For that reason, we want to have qualitative or quantitative targets. Supposing trade is very imbalanced in the period from 1992 to 1995, we need to measure whether progress is being made. We also need to see how foreign exchange and Japan's economy have turned out, and whether U.S. companies have made products which have competitive power in quality and price, and attract the Japanese market. For that reason, we have stressed that we want objective criteria or standards to measure whether progress is being made in opening the market. But we have failed to reach an agreement on that point.

[Correspondent in English with simultaneous translation into Japanese] My question is about Bosnia. It has been reported that the United States said it is willing to give up imposing sanctions if the Serbians cooperate in talks on peace. Are you planning to send U.S. peacekeeping operation [PKO] troops? What will you do about it; and are F-15 fighters heading toward Bosnia?

[Clinton] In terms of troops, we will send less than half, although we have not specified the number. Second, we have never discussed any partial lifting of the embargo. As far as I am concerned, I have never discussed such a possibility.

[Correspondent] Although the previous governments agreed to launch negotiations on objective criteria, do you think the preceding government made the wrong decision, or does it mean that the Hosokawa government will cope with this issue in its own, new way?

[Hosokawa] Well, we believe that certain progress has been made on each issue we have negotiated so far. Therefore, I think that it does not mean we will start from scratch, and we need to further promote negotiations with the results of past negotiations in mind. Does this answer your question? No?

[Correspondent] The Miyazawa government decided and agreed to start negotiations on objective criteria.

What I want to ask you is whether you think the Miyazawa government's decision was wrong.

[Hosokawa] No, I do not think so. Our understanding over the issue of numerical targets was different. We could not clear up the matter.

[Correspondent in English with simultaneous translation into Japanese] Mr. President, what sort of measures do you think the United States can take to keep a watch on Japan's attitude or manner, and are you thinking of changing the United States' position in order to make it difficult for Japanese companies to continue business activities in the United States?

[Clinton] Until 0400 this morning, we made efforts to come to an agreement. So, I am not prepared to say. We need to give further study to what you have said. I think now is the time to think about many things.

[Correspondent] Mr. President, citizens of Japan strongly support the Hosokawa government's policy on deregulation or non-interference by the government. When that is the given background, if the United States presses Japan to set import volumes in advance—which is tantamount to asking the government to interfere—do you think the citizens of Japan will accept this?

[Clinton] We are not asking for that. I think that is the bottleneck which is making an agreement impossible. We are not asking Japan to make a commitment to import certain volumes by certain dates. What we want to do is measure progress on market opening, using objective criteria. One thing that could be used as a criteria is the level of imports, another could be exchange rates, another could be Japan's domestic demand, and how many U.S. products are being used in the United States, Europe, or other countries could be used as criteria as well.

What efforts U.S. businesses are making to do business in Japan or in the Japanese market could also be used as criteria. We are not asking Japan to practice managed trade. I think what Japan is concerned about is that if there are numbers among other criteria, the numbers will take on a life of their own. That is not what the United States intends, even though, no doubt, that has become the bottleneck on arriving at an agreement.

[Correspondent] You two are said to have also talked about the situation on the Korean peninsula. Around the end of this month, the IAEA [International Atomic Energy Agency] will have to confirm or deny whether North Korea is developing nuclear arms. How serious is the situation? What will you and Prime Minister Hosokawa do if it is determined that North Korea is not observing the Nuclear Nonproliferation Treaty?

[Clinton] On that question, we discussed various options including sanctions. Japan, China, South Korea, and the United States agree that the Korean peninsula should be free of nuclear arms. The fact that North Korea is unwilling to accept the IAEA inspections is a cause of

very much concern to us. We will see what options we have. But I think it is clear that the sanctions are among them.

[Hosokawa] We are also strongly concerned over the issue. The issue will face a big hurdle soon or within the next 10 days. I hope that North Korea will move in a desirable direction. As the President just said, Japan wants to work together with the United States, South Korea, and China in working on that country more strongly. If a possible economic blockade or sanctions are discussed at the UN Security Council, Japan will do as much as it can within the limits of its constitution.

[Correspondent] I have a question for both of you. To look back on the negotiations between the two countries, I feel mutual mistrust has grown between them—the United States thinking it has been deceived, and Japan thinking the objective criteria will be used in sanctions. Do you think such mistrust will be removed in the course of future negotiations?

[Clinton] I personally trust Prime Minister Hosokawa, and respect him very much. In fact, my respect has only kept on growing. I have particular respect for efforts put into political reforms, the leadership displayed by Japan in the Uruguay Round of talks, and the leadership shown by Prime Minister Hosokawa in opening up the rice market. I must note efforts made in deregulation and tax reductions. I feel Japan is moving in the right direction.

Both of us came to our posts as top leaders of the two nations when frustration and irritation was rising after years and years of trade negotiations. This issue of trust is certainly important, and is a serious problem that cannot be overlooked. But this issue of trust can be resolved.

The reason why the trust is being threatened is because the trade imbalance remains large while the prices of consumer goods in Japan are high, and because this fact is having a negative effect on American citizens. Aside from that, my personal respect for the prime minister and the government is great indeed.

[Correspondent] Prime Minister, you have discussed many things with President Clinton. The United States is saying that even though it wants numerical targets or objective criteria, it does not want managed trade. Can you believe this?

[Hosokawa] Nobody wants managed trade. This can be said—commonly—of all countries. As the President mentioned, we are afraid lest the numerical targets should take on a life of their own. If that happens, as it did with the Semiconductor Agreement, that is in fact the practicing of managed trade. I told him in today's summit meeting that establishing numerical targets runs counter to the basic stance of my cabinet, which promotes deregulation.

[Clinton] If we were asking for the semiconductor agreement, that would be right. But that is not what we are

asking for. What we are asking for is what we agreed to last summer, which was a way of measuring by objective standards the progress being made in opening markets. I want to say we are not seeking anything for the United States, that we are not seeking for other countries as well. We sought no special access or special treatment. We just seek a list, if you will, of those things by which you could determine whether progress is being made or progress is not being made, that there are reasons other than closed market policies for the lack of progress. There could be other reasons—no domestic demand, changes in exchange rates, inadequate efforts by Americans, uncompetitive products and services.

[Correspondent] I think that opening the Japanese market is very important. I think Japanese consumers and Japanese people believe that. But I think the reason you could not come up with any agreement today in the talks is that the numerical target approach is not really popular among Japanese people, Japanese industries, and Japanese bureaucrats. So, I am wondering, Mr. President, whether you thought it was possible to come up with any agreement, result, or outcome in near future with the numerical target approach. I also wonder whether you were disappointed with the Japanese people. I heard that Mr. Gore raised a question about Japanese bureaucrats in talks with Mr. Hata. I wonder whether, Mr. President, you think the Japanese bureaucracy is a kind of burden or barrier in opening the Japanese market.

[Clinton] I wish you had never asked that. I understand that numerical targets are not popular among Japanese people and the Japanese Government. But Americas trade deficit with Japan is not popular among the American people and the American Government—it is hard to explain it, year in and year out, it is always getting bigger. I think, in every society, the permanent government is more unchangeable than the changing government. I think that is true in every society and, in some societies, it is more true than in others. And the stronger the permanent civil service is in making policy, the more likely they are to become unchangeable. If you look at the history of Japan after the Second World War, having one system for the last forty-five plus years in which you produced for your own market and the world, had high savings rates and low consumption rates, as well as relatively closed markets and relatively high-value products, worked dramatically to improve the living standard of your people. But, at some point, as your growth rates became more normal as in the last 10 years, and as the capacity and desires of your people alter, now you have to develop a more open economy and society. I could not say any more than the prime minister did in the book that he wrote and gave to me to read. So, I do not want to pick on any particular section of the Japanese society. I want to just say that we must process the change, and we are both committed to it. That is the good news. I also think it is good news that we did not come up with an agreement today that did not mean anything. We just have to keep dealing with the issue and trying to find

some way out of it, because we have to come to trust each other across systems that are still very different. Thank you very much.

### Georgetown University Address

OW1202050694 Tokyo KYODO in English 0358 GMT  
11 Feb 94

[Text] Washington, Feb. 11 KYODO—The following is the full text of a speech by Prime Minister Morihiro Hosokawa at Georgetown University in Washington on Friday [11 February].

Thank you President O'Donovan, Distinguished guests, Ladies and Gentlemen:

I am pleased and honored to have this chance to speak at a university which is famous in Japan—not for its excellent basketball, but for the many excellent leaders it has produced. My wife and I have special feelings toward Georgetown, because of its strong ties with Sophia University in Tokyo, from which we both graduated. I am especially happy to see in this audience many young people. In a very real sense, I am working for you, and for our young generation back home, to help see to it that you, and we, have a better future.

In this difficult period of global transition, the future is very uncertain. America, like most nations—including mine—has its own serious problems. But America still remains, in many ways, a role model. Any country which seeks to build a society based on democracy, which seeks to create a better life for its people, has much to learn from the American experience.

I believe this, because it is part of my own family's experience. My wife and I are pleased that our son and daughter had the chance to live in America several years ago. Thanks to their home stay in small U.S. town, they made new friends, and expanded their understanding of what it means to live in a society which values individuality and open competition.

If one word can sum up this new era, it is "change."

Dramatic changes are taking place in the political life of the former Soviet Union. Europe has become more integrated than ever before. And in America, you have new leadership which has dedicated itself to change. I would not be speaking to you today had not millions of Japanese decided that they wanted basic changes in politics.

Today, I want to share with you my views on the challenges of change. I also want to discuss the actions I think Japan should take to help create a more stable and prosperous world. As these are common goals, U.S.-Japan cooperation has special importance in this context.

In Japan, we have begun the process of reforming political and administrative systems which have become entrenched. As you can see by recent headlines, this

process is causing us, and me, some pain. A story in the Washington Post the other day described me as "poker-faced." I don't see myself that way, but thinking about recent events, perhaps I do look a bit grim these days. It reminds me that Bill Clinton and I have lots in common. We've both had our troubles since coming into office. We both had our bad days in the media. And we've both had a very tough time trying to get people to agree on policy reforms. But just as your President is moving ahead, so are we. The problem is the pace of change in Japan. It always seems too slow for other nations. We also have an image problem - Japan, Incorporated. In the case of reform, I wish it were true. But the reality, as you have seen in recent days, is that Japanese are always struggling among ourselves. And conflicts on reforms have slowed progress. But I assure you, we are not only moving ahead, we are committed to seeing through our objectives.

My goal is to make policy discussion and debate the heart of our political life. This reform also is the start of creating a more open political process. Public opinion polls show that the vast majority of Japanese strongly support my objectives. This process is important for another reason. I want to regain our people's trust and interest in politics. The reforms are only a first step in this direction. But this is still the most significant political reform movement in Japan in half a century.

Another key objective of our inner-driven reform is market deregulation. When I was Governor of Kumamoto prefecture, I could see clearly how central government regulations were causing wasted time and effort. That is how we are seen in many other nations. We should reform our system, and this image of Japan. That is why, as prime minister, I am determined to do away with regulations which increase the cost of business, and cost to the consumers. For example, I would like to see actions including deregulations which would allow Japanese to purchase homes at about two-thirds the present average cost.

Deregulation will help us achieve several objectives. First, it will create a more transparent market, with improved access for foreign firms. Second, it will lower business costs, which will promote imports, and lowering the price of many products. Third, it will create a more open and efficient administrative system. I intend to become personally involved in this effort, by heading a group to promote administrative reform and market deregulation.

I want to emphasize that we are moving ahead with these reforms because they are in our own interest, and also because they are in harmony with Japan's international responsibilities. That is why, in the Uruguay Round talks, we made the painful decision on rice imports. This decision was made to help assure a successful conclusion to the Uruguay Round. This agreement is essential if we are to achieve our goals—sustained, long-term economic growth, further liberalized trade, and greater world prosperity.

A few days ago, we also announced a strong economic stimulation package. It includes a major income tax cut. I am confident that this action will create stronger consumer demand. This also is good news for foreign companies, who will take part in a new, open and competitive bidding system for public projects. It should also be good news for the rest of the world, because this package is an important step toward our common goal of expanding world prosperity. If the United States and Japan both firmly support their own economic growth policies, closely coordinating their actions, I also am certain that the problem of external imbalances will be eased.

These changes inside Japan have another meaning. They symbolize changes in the way Japanese are thinking and acting in their relations with other countries. The time has come for Japan to play a much more dynamic role in helping to create the stable, peaceful world which we all desire.

There are a number of areas in which I think Japan should become more involved. These include helping prevent and settle regional conflicts, helping nations build stable societies and helping efforts to cope with global problems such as environment and population.

In settling regional conflicts, I believe that a comprehensive approach is an effective way to replace violence with stability. This comprehensive approach should include: diplomatic efforts to end conflicts, U.N. peacekeeping operations, humanitarian assistance and development assistance for rebuilding nations which have been torn apart by violence. The successful process which ended the Cambodian conflict was a good example of this approach. Japan was an active player at each stage of the process.

Japan is no longer an international bystander. We are committing both materials, and people, to support efforts to stabilize trouble spots around the world. Today, for example, Japan is helping U.N. peacekeeping operations in Mozambique. In March, we plan to send a team of observers to help monitor elections in El Salvador. In the Middle East and other trouble spots, Japan is ready to play an active role to assist international efforts for peace. We also will increase humanitarian aid and other support for areas affected by conflict in the former Yugoslavia.

All these efforts are essential, but there is another, even greater challenge. The end of the Cold War has created new opportunities for arms control and disarmament. One of Japan's major goals is to strengthen the NPT [Nuclear Nonproliferation Treaty] system for preventing the spread of nuclear weapons. That is why one of the first international policy decisions I made after becoming prime minister asserted Japan's strong support for the indefinite extension of the NPT beyond 1995.

There have been reports in the last few days that Japan might change its policy should North Korea arm itself

with nuclear weapons. I wish the people who write such reports would come to Japan and talk to our people. Then they would realize how deeply we feel about this issue. Let me be very clear on this point: I see no possibility that Japan would decide to become a nuclear power. Such a policy would be against Japan's national interest. We, like you, are very concerned about the current situation on the Korean peninsula. And we are determined, working closely with government leaders in the Republic of Korea and America, to help settle this issue.

On the issue of conventional arms control, Japan also is actively involved. We are the only major nation in the world which is not selling any weapons to other countries. We have proposed a U.N.-supervised system to make it easier to monitor international sales of conventional arms. We want to broaden this system, to make it more effective.

Economic assistance is another important action to assure long-term global stability and prosperity. In recent years, Japan has become the world's largest donor of ODA. Japan is actively using economic aid to promote what might be called "good governance." We are encouraging recipient nations which are making efforts to move toward more democratic government, introduce market economies, control military spending, and promote policies to control or dispose of weapons of mass destruction. Japan's ODA decisions are being strongly influenced by countries which follow such policies.

As we seek long-term peace and prosperity, we must also focus on other problems which threaten the well-being of people around the world. Coordinated action is essential on four key issues: protecting the environment, dealing with population problems, stopping the spread of AIDS, ending drugs as a social threat.

Two years ago, Japan pledged more than 7 billion dollars in ODA funds to support environmental protection programs around the world. Since then, Japanese aid to helping to restore forest lands in Mexico and Indonesia, supporting the treatment of solid waste in Brazil, and supporting research to deal with acid rain in China. Environmental protection is also one of the key global issues in the framework talks. I want to see ever closer cooperation between our nations in this vital area.

Today, I informed President Clinton that Japan will pledge 3 billion dollars over the next seven years to support programs on population and AIDS. The president told me that the U.S. government will provide 9 billion dollars to deal with these problems during the same period. We also want to strengthen international cooperation to fight the threat of drugs, and to find a cure for cancer.

My friends,

As we approach the twenty first century, I see many opportunities for U.S.-Japan cooperation in the most dynamic region in the world, the Asia-Pacific. In the

recent APEC leaders' meeting in Seattle, President Clinton spoke with conviction about the importance of the Asia-Pacific in America's future. He made some of same points in a speech during his visit to Tokyo last year. I welcome these messages. We need and want an active U.S. presence in Asia, in the context of both economic and security issues.

We strongly support the U.S.-Japan Security Treaty, and have backed up that commitment by providing major financial support for U.S. forces in our country. In fiscal 1993, the total was 4.6 billion dollars. Our ratio of financial support for all U.S. base expenses, except salaries, will increase to about 70

by fiscal 1995. In the new Asia-Pacific era, U.S.-Japan security arrangements remain an essential stabilizing force, in both the political and military sense.

Coordinated action by our two countries in Asia-Pacific is essential if we are to avoid the dangers of isolationism and protectionism. We both should encourage China, for example, to play a positive role in regional stability. In this sense, I support President Clinton's policies to expand contacts with China. Dialogue and policy coordination will be essential in deepening mutual trust among nations in this region.

In the business world, contacts already are becoming much closer. And there is a new trend. American and Japanese companies, for example, are cooperating in projects to improve Indonesia's power generation system. And American and Japanese companies are providing technical aid to help develop China's auto industry. This kind of synergy shows how APEC members can use their special talents to produce results which are, to use the American expression, "win-win."

Next year will mark the 50th anniversary of the end of World War II. The Asia-Pacific, once a battlefield, is now one of the most promising regions in the world. The bitter memories of conflict and destruction half a century ago are a constant reminder of the challenges we now face. We must succeed in building a new era, based on mutual respect, with the goal of creating a peaceful and prosperous future.

My friends,

For half a century, there have been generally strong, positive relations between our nations. I believe that our best years lie ahead.

Ongoing changes in both countries will help to strengthen U.S.-Japan relations. We still have serious economic and trade problems to solve. We can do it, but only if we work together in a spirit of partnership and mutual trust. We also must guard against distorting those problems. We must work to keep our relationship balanced, remembering the importance of our close cooperation in political, security and global policy matters.

We also need to remind each other about the rich, human dimension of U.S.-Japan relations. It is not

governments, or companies, but people, after all, which give a relationship its greatest value. Many thousands of Americans and Japanese have formed deep and lasting friendships. These are not famous people, but the kind of people who are the heart and soul of our societies. They include students and scholars, business executives and engineers, artists, musicians, athletes, and yes, even a few journalists. They live in Washington, and Tokyo...in Denver, and Nagoya,...in Miami, and Osaka. They share the same values and interests. They and their families also are trying to cope with similar problems. But they all have hopes and dreams for a better future life. These strong but too often ignored human ties between our countries are the best reason for all of us to dedicate ourselves to making a good relationship even better. That is my goal, and my promise to you.

### Trade Talks 'Collapse' Reaffirmed

OW1202143494 Tokyo KYODO in English 1424 GMT  
12 Feb 94

[Text] Washington, Feb. 12 KYODO—Japanese Prime Minister Morihiro Hosokawa reaffirmed after fresh talks with U.S. President Bill Clinton on Saturday [12 February] the collapse of efforts to conclude a new bilateral trade framework, stressing the need for a "cooling off period." Hosokawa spoke to reporters at a press conference after a previously unscheduled breakfast meeting with Clinton, called at Clinton's request, in the family quarters of the executive mansion.

He said that the two sides could not resolve their differences regarding interpretation of a previous agreement to use "objective criteria" to measure the progress of imports in Japan. Japan rejects the idea of using "numerical targets" to that end, which it says amounts to managed trade.

But Hosokawa said he was hopeful that the U.S. would not, in the aftermath of the collapse of the talks, resort to "unilateral punitive measures in violation of GATT," a reference to the multilateral General Agreement on Tariffs and Trade.

U.S. officials have warned of retaliation against Japan before the Group of Seven (G-7) industrial countries convenes its annual summit meeting in Naples in early July.

Hosokawa said his "frank" breakfast talks with Clinton took place in a "relaxed atmosphere" and that they did not dwell on awkward subjects. He said the talks reaffirmed the "adult" nature of the bilateral relationship.

Clinton and Hosokawa had three hours of formal summit talks Friday at the White House, in which the two leaders had what one senior U.S. administration official later described as "rather intense" exchanges over economic issues.

They announced afterwards Friday at a joint news conference the two countries' failure to reach an accord on

the new framework. U.S. administration officials subsequently said Washington would not reopen the framework negotiations unless Tokyo changes its position.

The Clinton administration concluded an agreement with Hosokawa's predecessor, Kiichi Miyazawa, last July that called for setting up a new "framework" of trade relations between the two countries to help slash Japan's trade surplus and open its markets.

Under the terms of the agreement, the two countries were supposed to work out a formula by the summit meeting Friday on how to increase foreign access in specific market sectors—autos and auto parts, insurance, and government procurement of telecommunications and medical equipment.

Hosokawa is due to return home on Sunday.

#### **Madison Hotel News Conference**

*OW1202185294 Tokyo NHK General Television  
Network in Japanese 1337 GMT 12 Feb 94*

[News conference by Prime Minister Morihiro Hosokawa with Japanese and foreign correspondents at the Madison Hotel in Washington—live]

[Text] [Tachihara] I am Tachihara from the Political News Department of JIJI NEWS AGENCY. Prime Minister, I would like to ask two questions. The first concerns the Japan-U.S. economic framework talks which failed to hammer out an accord. I feel moves will increase in the United States to take retaliatory action against Japan. How will the Japanese Government respond to those moves? Prime Minister, you said that awhile ago you had breakfast with the President. Would you give the details of what you and the President talked about during breakfast?

[Hosokawa] I would like to answer your first question. As for U.S. sanctions against Japan, I believe and strongly hope that the United States will not take unilateral steps that run counter to the rules of the General Agreement on Tariff and Trade [GATT]. As I said awhile ago, I intend to make energetic efforts to promote negotiations in areas in which the two countries failed to reach an agreement following a period of cooling off. This morning, I had breakfast with the President. As I said awhile ago, the President and myself talked about the Cuban and Latin American situations as well as issues in the Asia-Pacific region. The President and myself spent much of time looking around the White House. The President showed me a room where President Lincoln signed documents as well as other historical rooms.

[Tanabe] I am Tanabe from KYODO NEWS AGENCY. Prime Minister, I would like to ask you two questions. My first concerns the Japan-U.S. economic framework talks that ended yesterday. The Clinton administration

has persistently asked Japan to establish numerical targets. Prime Minister, do you think the Clinton administration's trade policy is tilting toward managed trade? During the past six months of negotiations, the United States has criticized the Japanese bureaucracy. Prime Minister, do you think the U.S. criticism is accurate?

[Hosokawa] I would like to answer your first question. As I said awhile ago, there has been substantial progress in negotiations on procedures for individual areas. However, the two countries failed to bridge their differences on the relationship between objective criteria and numerical targets, although they exchanged their views and asserted their respective positions. The issue of objective criteria is one aspect of the economic framework talks. My understanding is that it will not have a harmful impact on overall Japan-U.S. relations. I repeatedly told the President I cannot accept numerical targets which could lead to managed trade. Japanese negotiators have repeatedly asserted Japan cannot accept numerical targets. The objective criteria which the United States has proposed has been interpreted in various ways. I told the President that objective criteria and numerical targets are one in the same. During the talks, I also told the President they are incompatible with the thinking of the Hosokawa government, which is promoting deregulation as its primary policy. I told the President that for this reason I cannot agree with them.

As for your question about U.S. criticism against Japanese bureaucrats, it is very hard for me to answer. Foreign nations are liable to adopt such views. Although this question is related to the first, officials in various ministries and agencies have repeatedly maintained in the negotiations that the government could not commit itself to resolving issues which are out of the government's jurisdiction through measures like managed trade. However, I think foreign nations may see Japan as Japan Incorporated, and may have a certain prejudice against Japan. During the current negotiations, I made some decisions transcending the jurisdictions of various ministries and agencies after having studied what sort of measures are desirable for the national interests of Japan and the survival of Japan within the international community.

[Domoto] I am Domoto from NHK. I would like to ask about domestic affairs. You will have to tackle the Diet session shortly after you return to Japan. What will be your most important domestic agenda for the time being? Do you intend to manage politics without reshuffling your cabinet, at least until the ordinary Diet session ends? I would like you to answer these two questions.

[Hosokawa] Needless to say, the most important issue in domestic politics is to pass the draft budget as soon as possible. I intend to do the utmost to tackle this issue. This is the most important task for me for the time being. Moreover, other important bills—such as the Product Liability Bill—have been submitted to the current Diet session for consideration. In view of the present economic situation, the most urgent task is to have the draft

budget pass the Diet as soon as possible. As for reshuffling the cabinet, I am not thinking of it at this moment because until now I have devoted myself to the Japan-U.S. summit talks, tax system reform, political reform, and other issues.

[Jim] Prime Minister, I am Jim from the LOS ANGELES TIMES. During your current visit to Washington, you stated the Japanese Government would cooperate in imposing economic sanctions against the DPRK over its suspected development of nuclear weapons under the scope of Japanese law. Do you mean Japan is considering economic sanctions? Could you tell us specifically about what Japan is preparing to do? I think whether Japan will stop remittances to North Korea is an issue.

[Hosokawa] From a viewpoint of settling the issue through continuous discussions, Japan will continue to work with the United States, the Republic of Korea, and China. If the international community or the United Nations decides to take measures against North Korea, then it is natural for Japan to take responsible action. I cannot predict what sort of results the talks between the IAEA and North Korea, which are to be held at the end of February, will yield. As I said awhile ago, if sanctions are imposed against North Korea, Japan will take measures based on its responsibility under the scope of its laws.

A question was asked on the issue of remitting money to North Korea. We do not know exactly how much they are sending to North Korea. The human rights issue is also involved in this. Therefore, we have to take these points into consideration.

[Doya] I am Ayako Doya from THE JAPAN TIMES. Some U.S. Government officials, including U.S. Trade Representative Mickey Kantor, are of the opinion that sanctions should be imposed against Japan should Japan refuse to accept numerical targets. Others are saying we should not let the issue of numerical targets damage Japan-U.S. relations. Roughly speaking, they are divided into two groups. However, the President is the one who is going to decide on this matter. You have spent many hours in discussions with the President. Which side is the President leaning towards, and how much of your explanations did the President understand?

[Hosokawa] As I said earlier, I think Japan-U.S. relations have entered a new era. In the past, both countries mutually refrained from saying things which were really difficult to say. By surmounting each situation, they cleared hurdles one by one. As a result, Japan gave answers which could be interpreted in different manners. Japan eventually viewed U.S. attempts as outside pressure [gaiatsu]; through outside pressure, the United States tried to get a compromise from Japan. I have a feeling both countries have such an impression of each other. The United States, Canada, and Europe candidly talk about matters which are difficult to discuss. Earlier I called it mature relations. I am of the opinion that

Japan-U.S. relations should also be that way. In this sense, I think my recent visit was a very good one. You asked what President Clinton thinks of sanctions. I feel he thinks the same way. As I earlier said, I do not think sanctions will be immediately imposed against Japan.

[Unidentified correspondent] I have two questions. The first is this. You have said that for awhile both countries will have a period of cooling off. I understand reviews will be made twice a year. Do you have a plan to visit the United States before six months have passed to meet President Clinton again? Another question is about the comprehensive economic measures you recently announced. It seems the measures are ill spoken of by some U.S. Government officials. Can you comment on this?

[Hosokawa] As for the economic stimulus package, as you said the United States did not favorably evaluate it. However, when we look at the tax cuts specified in the package, the amount of the reductions is considerably larger than those which Japan carried out when former President Reagan was in office. Moreover, my cabinet has laid out plans for promoting discussions by the end of this year on drastic tax reform measures. I asked the President to understand this. I also stressed that major economic stimulus measures amounting to over 15 trillion yen will certainly have a favorable effect on our efforts to establish and promote a domestic demand-oriented economy. What was your first question?

[Correspondent] The next visit to the United States at an earlier date.

[Hosokawa] So far I am not thinking about paying a visit to the United States at an earlier date. But I want to discuss the scheduling of the next visit with the secretariat, although I have no idea how long a cooling off period we need.

[Komori] I am Komori with SANKEI SHIMBUN. You have stressed several times that Japan-U.S. relations have entered the stage of mature relations, like relations between the United States and European nations. Taking a look at relations between the United States and European nations, I find that although they exchange sharp debates on economic issues, their relations are solid because they share a very similar basic sense of values on such matters as security, diplomacy, democracy, and human rights. So they base their disputes over economic affairs on their solid relations. In the case of relations between Japan and the United States, I wonder if Japan and the United States share a similar sense of values, particularly on security. Do you still have confidence in maintaining basic bilateral relations while the two countries are engaged in heated disputes over economic issues?

[Hosokawa] I think we have to let our relations enter such an era. Moreover, I feel such an atmosphere is being steadily created through a series of talks between myself

and President Clinton—including the summit talks yesterday as well as the previous summit talks—as well as ministerial and working-level talks.

[Unidentified correspondent] I am with AP. As regards objective criteria, the U.S. Government has said it will not resume negotiations until Japan changes its position. In a meeting held in the morning, Japan said it will not change its position, thus showing a tough stance. If both sides establish a cooling off period, is there any possibility Japan would propose some kind of compromise, or do you think a compromise should be proposed by the United States?

[Hosokawa] On the issues of government procurement or insurance, for example, Japan and the United States are moving closer to each other, and an agreement is within their reach. The problem is objective criteria, and it runs counter to the principle of our negotiations. Japan holds its basic stand that one way or another it is necessary to avoid objective criteria that goes against our efforts in promoting deregulations and leads to managed trade. Japan will not change its position in this regard. However, as I said earlier, since finishing touches on negotiations on some individual trade sectors are being put into place, I would like to find a clue to break the deadlock after a cooling off period. This is what I feel now. [At this point NHK concludes its live relay of the Hosokawa news conference]

#### **Hosokawa Comments on Clinton Rejection of Pact** *OW1302105794 Tokyo KYODO in English 1015 GMT 13 Feb 94*

[Text] Tokyo, Feb. 13 KYODO—Prime Minister Morihiro Hosokawa said Sunday [13 February] a trade agreement between Japan and the United States was “80 to 90 percent complete” but President Bill Clinton rejected it. Hosokawa made the remark to reporters aboard a special government jetliner which landed at Haneda Airport in Tokyo at 5:50 P.M. Sunday.

He said his government will assemble officials of various government agencies either Monday or Tuesday to explore steps to revive the abortive trade talks with the U.S.

Hosokawa met Clinton in Washington for three hours Friday and attended a breakfast meeting with the President at the White House on Saturday.

Japan-U.S. economic framework talks are designed to help correct the trade imbalance by increasing the access of foreign firms to Japan's markets in the auto and auto parts and insurance sectors and boosting foreign participation in government procurement of telecommunications and medical equipment.

Asked at his official residence about a report in THE WASHINGTON POST's Sunday issue suggesting potential U.S. trade sanctions against Japan, Hosokawa said, “it's too early” to speculate on U.S. action.

#### **Hosokawa Returns Home From U.S. 13 Feb**

*OW1302132394 Tokyo NHK General Television Network in Japanese 1155 GMT 13 Feb 94*

[Announcer-read report over video; from the “NHK News” program]

[Text] Prime Minister Hosokawa, who visited the United States for the Japan-U.S. summit talks, returned home this evening. Regarding the Japan-U.S. economic framework talks, which ended in failure, he indicated an intention to take quick action to study possible measures to promote market opening with the aim of reducing Japan's trade surplus and work out own plans.

After finishing his summit talks with U.S. President Clinton in Washington, Prime Minister Hosokawa arrived at the Haneda Airport around 1800 [0900 GMT] today.

From tomorrow, he will be busy dealing with immediate tasks, such as the final compilation of the government's budget plan for fiscal 1994 which will be decided on 15 February, Diet deliberations on the fiscal budget, and reviewing problems of the Japan-U.S. economic framework talks, which remain deadlocked.

As for the Japan-U.S. economic framework talks, Prime Minister Hosokawa, speaking with reporters, said: Since a trade agreement was 80 to 90 percent complete, I asked the President at the summit talks to conclude the talks. But President Clinton proposed not to conclude the talks in that way.

Asked how to deal with the results of the talks, Prime Minister Hosokawa said: Immediately after returning home, we will review the problems. We have to use our brains, and Japan will carry out what it can do. In this way, he said the government will start studying possible measures to promote market opening which will help reduce Japan's trade surplus.

Touching on his diplomatic schedule, Prime Minister Hosokawa disclosed that it is difficult to materialize his scheduled visit to China in March. He expressed his hope to visit foreign nations during the consecutive holidays in May. He then said that European nations and Vietnam are potential countries to visit.

#### **Reaction to Hosokawa-Clinton Talks Reported**

##### **MITI Minister Comments on Talks**

*OW1302064494 Tokyo FNN Television Network in Japanese 2238 GMT 12 Feb 94*

[Roundtable discussion as part of political magazine program ‘News 2001’ with Hiroshi Kumagai, minister of international trade and industry (MITI), Professor Yoshiaki Kobayashi of Keio University, columnist Minoru Omori, and commentator Kenichi Takemura attending, moderated by newscasters Yuri Kuroiwa and Kaori Matsuyama]

[Excerpts] [Kuroiwa] In describing the [Washington] summit meeting, people are using the expression failure, but it could be a start of mature relationship. What is your frank view of this?

[Kumagai] I feel exactly the same way. I would prefer to use the expression damage control rather than failure. As the President says, let's cool our head down, and then take up the issues once again. This attitude was clearly revealed in the joint news conference of the two top leaders. The talks started last July. There were problems from the beginning, and it can be said those problems surfaced prominently only recently. But I am relieved very much to see from the joint news conference that there is a common recognition that bilateral relations between Japan and the United States are one of the most important of bilateral relations.

While the economy is a very important matter, and even though there remain unresolved issues between the two countries, there is a common recognition that these issues must be resolved. If I may compare it to mountain climbing, the two countries agree which mountain top to climb, but disagree on which routes to take. As long as both countries can discuss and agree on which route to take, I do not think Japan-U.S. relations will rupture.

There may be some minor tremors. Basically, I can see the strong relations of trust between the top leaders of the countries. As such, I think we need not be worried even though there are problems.

[Kobayashi] Regarding the setting of numerical targets—for example, in use of U.S.-made semiconductors—do you as the minister of international trade and industry think this is a sort of managed trade and is against the spirit of the GATT?

[Kumagai] I would like to set the issue of semiconductors aside. There is a long history to it. But doing something like that in other areas is unacceptable. We cannot accept it. That is going completely contrary to the direction aimed at by the Hosokawa government. That is going against the basic thinking of deciding things based on the functioning of open markets. I think we can never accept it—even in the future. [passage on Omori's comment omitted]

[Kuroiwa] Mr. Omori says the U.S. Congress may agree on taking retaliatory actions against Japan. Minister Kumagai, how do you intend to respond to that?

[Kumagai] It will not come just from the U.S. Congress, but also from the administration. Naturally, it is possible to think that they will do something with the exchange rate or make verbal threats. The U.S. Congress in particular has been very aggressive in this regard. That is why I used the expression damage control. What is important is that whether it be the exchange rate or reinstituting the 301 provisions, I think there are ways to respond to them. In the case of the exchange rate, I think there are limits to what it can do. Eventually, the rate will come to change by the logic of the market. There is

no doubt that the Japan's surplus has peaked and is coming down. The rate might fluctuate for the time being, but I think we can cope with it in a calm manner.

As regards the 301 provisions, I think we can take care of them in the multilateral arena of negotiations. What is important is for Japan to not act emotionally as they do. What is most important is for Japan to open an arena of talks and to resume negotiations soon—since it is true that there is the trade gap between the two countries and we have this problem of the gap needing to be narrowed and removed.

[Kuroiwa] If the retaliations come to be enforced in fact, will you appeal this to the GATT?

[Kumagai] Of course, I will if the retaliations have no legal grounds. For instance, if they abolish taxes on parts or if the 301 provisions are reinstituted, I think we can act against it based on pertinent rules. [passage on Takeuchi's and Omori's comments omitted]

[Matsuyama] Mr. Kumagai, the United States is saying it will decide on retaliation before the Napoli summit in July. That means Japan will have to do something before July? [Kumagai] Yes, in fact way before that. In areas other than numerical targets, the talks were making smooth very progress—with respect to procedures, deregulation, and so forth. Hence, if the issue of numerical targets is resolved in a way that those things are not necessary... [changes thought] We need to recall why the issue of the numerical targets was raised to begin with. There was the following line of thinking: If regulations are eased and trade is allowed to be conducted in a freer manner, things normally improve automatically, but in the case of Japan, it is not going well. Hence, the most effective way to deal with Japan is to assign numbers—shares or growth rates—to it. This is the rationale given by those who say Japan is different from other countries.

It is important to deal with this problem of the U.S. mistrust in Japan. For instance, to take negotiations on the construction market, there is an agreement on the score report system under which when there is no improvement over the past, both parties will get together and think up new ways of making improvement possible. Under the agreement, what the governments will do and what the private sectors should do are distinguished. In this manner, much progress has already been made in this area.

I think the same degree of result can be achieved in other areas. Right now the United States is distrustful of Japan. If Japan can present leads that can remove this mistrust, I am sure we can bring the talks to a conclusion.

Mr. Omori gave a pessimistic view. But as far as we—the people at the front of the negotiations—are concerned, we feel we were only a short way away from the goal.

[Kuroiwa] Mr. Omori mentioned the possibility of the United States inciting yen value to rise in the exchange market. Do you see that possibility?

[Kumagai] To talk about inciting the yen rate, it is unthinkable that they would intervene in the market and pump in a huge amount of money. In other words, inciting will come verbally. Oral intervention is effective when the market is already flowing toward that way. But Japan's surplus is heading for the direction of being eased, and it is losing its competitiveness very fast. Changes are taking place in Japan. Supermarkets want to buy cheap foreign products, and the Japanese consumers have become price-conscious, too. They are no longer sticklers for Japanese products. When taking these conditions into account, I think it is possible that the high yen will impact the Japanese economy, as Mr. Omori has said, but it will be for a short while and will not last long. That is what I think. [passage omitted on Omori's comment on U.S. mistrust of Japanese bureaucrats]

[Kuroiwa] Mr. Kumagai, what is your view on the question of U.S. mistrust of Japanese bureaucrats?

[Kumagai] They are very emotional. That is why such criticism is fired against us. To take the auto issue for instance, Japan's purchases of auto parts from the United States have grown drastically. But they do not want to confirm this fact. I am sure the auto part companies and auto manufacturers of the United States are aware of this very well. I feel the warriors of Washington are firing verbal barrages at us without confirming this. After all, we are talking about economic negotiations. Judgments should be based, based on given facts. What is important is that we are not saying that existing conditions are desirable. Japan must make it clear it will take concrete actions to resolve this trade surplus issue. But there are things that cannot be done, and about those things we have no choice but to abide by our stand. [passage omitted on Kobayashi's comments on Japan's problems]

[Kumagai] We explained to them about plans on deregulation to liberalize and open up the market further and progress has been made in the negotiations. After hearing what Mr. Omori said to me a little while ago, I feel I must make clear to the people of the United States one point—that framework talks are not an arena of negotiations where only Japan talks but both countries do talk. If sales of autos or medical supplies to Japan are to be raised, both countries must make efforts. To take autos for instance, Neon is said to be a very good car with steering wheels on right hand side. But that car is not coming to Japan. They don't want to sell it in Japan until two years pass. I would like to say sales can be made only with both sides agreeing.

The summit meeting ended only just now. Verbal barrages may not be inevitable for now. But both countries' economy is dependent on each other. Where economy is concerned, Japan is not a country that can be ignored by the United States—more so if the political and security issues are added to it. So is the United States to Japan. I think we need to think coolly and calmly in this respect. [passage omitted on comments by Takemura and writer Susume Nishibe]

[Kuroiwa] Minister Kumagai, what is most important to make the Japan-U.S. relationship the real adults' relationship?

[Kumagai] That is to make clear Japan's resolve to redress the problem of the conspicuous current-account surplus. The way of doing is to depart from the past bureaucratic ways and to do it through basic reforming of economy. To see from statistical numbers, the current-account surplus ran to 3.8 percent of the gross domestic product at the peak point. Germany's record topped 4.0 percent once, and at that time it came under heavy attack from all over the world. At present, that percentage for Japan has come to below 3 percent. It will go down to 2.8 percent next year, and will go on down further. I am sure the problem is being resolved. It is not desirable to get excited [words indistinct]. The Hosokawa government should return to the starting point, and should become a government which is friendly to the world —by carrying out economic, administrative, and political reforms.

#### **Takemura Discusses Results, Ties**

*OW1302134694 Tokyo NHK General Television  
Network in Japanese 0003 GMT 13 Feb 94*

[Roundtable discussion as part of the "Toron" program with Chief Cabinet Secretary Masayoshi Takemura; Nobuyuki Sekiyama of the Social Democratic Party of Japan; Kozo Watanabe of Shinseito, Japan Renewal Party; Hiroyuki Sonoda of Sakigake, Harbinger; Masajuro Shiokawa of the Liberal Democratic Party, LDP; Kabun Muto of the LDP; and Hiroshi Kikunami of the Japan Communist Party; moderated by NHK commentators Takashi Yamamoto and Takanobu Fujita]

[Excerpts] [Yamamoto] The Japan-U.S. summit talks ended with an unusual result of a breakup between the two leaders. I would like to address my first question to the chief cabinet secretary on the government's future course of action. Mr. Takemura, the summit could not work out even a joint communique. What is your comment on the summit results?

[Takemura] It is true that the result was unusual compared with those of Japan-U.S. negotiations in the past. While the result is called a breakup or a failure, the two leaders sincerely discussed Asian affairs and the North Korean situation. Also in the framework talks, the two leaders reached accord on such global topics as population, AIDS, and environment issues. To be exact, the two nations did not reach accord in four fields—government procurement, insurance, auto, and auto parts. When the prime minister left for Washington, we confirmed with him that Japan could not accept the numerical targets, and he told us that he would do his best on that point. As a result, the United States did not give this up too, and, as you know, the summit ended like that. In a way, this was the first time Japan maintained its consistency at the talks with the United States. But I do not think all Japan has to do is to say no to the U.S. demand. This is because

both Japan and the United States are responsible for results of saying no to each other. While it is impossible for Japan to accept the numerical targets, it is still responsible for redressing its huge trade surplus through liberalizing and expanding its own markets. From the standpoint that bilateral relations with the United States are very important, Japan should exert sincere efforts on the basis of the summit results.

[Yamamoto] As you noted, the numerical target issue had been a clear point of contention between the two nations. Did you expect such results in advance?

[Takemura] Well, Japan has sincerely been explaining its position to the United States. Unfortunately, however, we could not agree on that point. In the past, the two nations have reached many bilateral agreements, including the semiconductor accord, and we thought we can work out a similar concession plan. Yet, Japan and the United States are nations of market economy and enjoy the free market system. So, it seems wrong for the government to set up detailed target figures for the private sector and exercise public control over the market. Since the Hosokawa administration is currently pursuing the deregulation policy to further liberalize the market, we had to refuse the U.S. proposal at any rate. [passage omitted on Yamamoto's question to Muto on how he conducted negotiations with the United States when he was the minister of international trade and industry and Muto's response]

[Yamamoto] While you said Japan had to refuse the U.S. proposal, the U.S. Congress has already begun to demand economic sanctions against Japan in response to the failure in the summit. What do you think about it?

[Takemura] I have heard that possibilities of economic sanctions were not discussed at talks between the prime minister and Mr. Clinton. But I think it is natural that some quarters in the Congress and public of the United States would show such reactions. But the two nations are in accord on the point that they have to maintain the important relations. I hope the United States takes prudent and reasonable attitude, and stays away from unilateral measures.

[Yamamoto] Please excuse me for asking a hypothetical question. What would the government do if the United States imposes economic sanctions against Japan over the economic talks?

[Takemura] We hope that will not happen. It is hard to answer questions based on supposition, but, during the Uruguay Round last year, GATT decided to provide some sort of mechanism to handle international trade disputes. I think that is a possible way Japan may take.

[Fujita] Mr. Chief Cabinet Secretary, don't you think the breakup will have some negative impact on the friendly relationship between Japan and the United States? It seems to me that the United States has some sort of distrust of Japan and thinks that it is not making

progress in liberalizing market even after discussions. What do you think of this point?

[Takemura] I do not think Japan's demands on the numerical targets were wrong. To the United States, the huge amount of deficit, which amounts to over \$130 billion, in trade with Japan is continuing to grow. Actually, it is gradually decreasing. However, the United States thinks that Japan is not making concrete efforts to reduce this deficit although more than 30 accords have been signed. Mr. Clinton is also feeling that no progress has been made at all. It seems that he has a strong distrust of Japan because the outcome of Japan's efforts in liberalizing its market and expanding its domestic demands to the expectation of the United States are still invisible. We have to understand this point. Deregulation, which will be linked to import promotion, is also an important issue to the Hosokawa administration. At the same time, we also need to narrow the price differences at home and abroad. Also, we have to voluntarily do our best to expand the market access no matter whether the United States calls for it or not. By doing that, we need to make the United States understand that Japan is seriously thinking about these matters as a whole.

[Fujita] Looking back at the past, I think it was a mistake that we agreed last July to set up objective criteria. That was the beginning of the failure. Don't you think we should have clarified what the objective criteria were at least?

[Takemura] Some people may think that way. However, we have had a long debate over the issue of what we meant by objective criteria. Objective criteria can be based on the figures for the past or figures for future targets. During the debate, we mixed up these figures and were unable to understand each other.

[Yamamoto] As for the future, both countries agreed to resume the economic talks after cooling off their heads for a while. When do you think the economic talks will resume?

[Takemura] We do not have a concrete plan as yet. The government will discuss this issue after the prime minister and the foreign minister return. Roughly speaking, however, the talks will be held for two years at the rate of twice a year. We already had an interim meeting this year. It is possible that we may have the second meeting, which will be held when the next G-7 summit opens in Naples in July, to discuss this issue. There are about five months between now and then. During this period, we will cool off our heads. There is no point in merely thinking about it without any actions. Therefore, I think we have to take due actions.

[Yamamoto] Prime Minister Hosokawa called the Japan-U.S. relations a mature adult relationship. However, what do you think the Japan-U.S. relations will be like in the future?

[Takemura] As the prime minister said, I think the Japan-U.S. relations will enter into a mature adult relationship, too. However, it is not an easy matter. Japan will be expected to demonstrate its independence in the diplomatic world. It will be entering a severe diplomatic stage. We have to promote true Japanese diplomacy or diplomacy in which we can maintain our independence.

[Yamamoto] Indeed, some people are already pointing out that it is a bit too optimistic to think that we established a mature adult relationship. We should expect to see a very severe situation. What do you think?

[Takemura] We need to see things in terms of overall politics and take the security issue into consideration. It would be nice if we have a mature adult relationship in every respect. We need to say things we want to say while having mutual understanding of each other's position. We just cannot have a reasonable argument on the basis of a race feeling [minzoku kanjo] or national awareness.

[Yamamoto] Earlier, we talked about the possibility that the United States may impose sanctions against Japan. Some people are worried that the Japan-U.S. relations may become very tense and suffer setbacks.

[Takemura] I do not think so. We should absolutely not allow these things to take place. To Japan, the United States is the most important country in every respect. Japan's fundamental diplomacy in the postwar era has been to maintain good relations with the United States. All political parties in Japan accept that. We should never change this fundamental diplomacy.

[Fujita] Do you think the Japan-U.S. negotiations will be resumed in the same style as the current framework talks? Or, do you think completely new framework talks will start?

[Takemura] This matter was left as a pending issue. Even though we are going to have a cooling-off period, I think both sides have to take some kind of actions at certain point.

[Yamamoto] Mr. Chief Cabinet Secretary, we have to stop our discussion here because it is time for you to go to another place. Thank you very much for being with us.

[Takemura] Thank you very much. [passage omitted on discussion by other participants about scrapped government proposal for consumption tax hike, ideal tax system, and introduction of welfare tax]

#### Press Reaction to U.S. Summit

OW1302040594 Tokyo KYODO in English 0343 GMT  
13 Feb 94

[Text] Tokyo, feb. 13 KYODO—Japan's major dailies urged Japan and the United States Sunday to find a breakthrough in the collapsed bilateral trade negotiations by making the best use of a cooling off period.

The ASAHI SHIMBUN said, "If the world's two economic superpowers...retaliate against each other by

taking protective trade steps, damage to the global economy would be great," and urged the two countries to handle the situation with a long-term perspective. Commenting on Friday's summit talks between Japanese prime Minister Morihiro Hosokawa and U.S. President Bill Clinton in Washington over bilateral framework trade talks, the leading daily said, "the summit sessions made people feel Japan-U.S. relations entered into a new stage."

Hosokawa and Clinton could not reach an accord on the framework talks to slash Japan's trade surplus and open its markets. "In many of the previous Japan-U.S. summit talks, the Japanese side gave in considerably to (U.S. demands) to keep the alliance, thus causing anti-U.S. feelings to spread in Japan, and coating the surface with vague agreements, leaving seeds of dispute."

"Hosokawa and Clinton frankly said 'no' to each other on the economic issues and (such a way) is better than the practice in previous summit talks, in which success was an imperative goal," the ASAHI said in its editorial. In order to make use of the establishment of "a mature adult relationship," the daily, however, urged the two countries not to let economic confrontation spill over into overall bilateral ties, and it asked Japan to act on opening its markets and reducing the trade surplus.

The MAINICHI SHIMBUN also urged the two countries to set up a cooling off period and probe a strategy for mutual prosperity and existence, saying, "the development of the U.S. economy hinges on the extent it takes hold in Asia and (for that reason) cooperation between Japan and the U.S. is indispensable."

The daily said, "the bickering between Japanese and U.S. Administrations did not reflect the competence of or cooperation among private sectors."

Noting views that the U.S. electronics and auto industries have regained competitive strength with the improved U.S. economy, that Japan is no longer a threat to the U.S. economy, and that Japan's current account surplus is shrinking sharply, the daily said "(we) should not react excessively to the disagreement (on the trade negotiations)." There are many factors that time would solve even if (the two countries) do not do anything," it said.

The largest circulation daily the YOMIURI SHIMBUN said, "we believe the summit meeting reflected a post-Cold War relationship between Japan and the United States that is reaching a new, mature stage."

The daily expressed hope that both Japan and the U.S. would resume talks by making good use of a cooling off period, saying, "the maintenance of positive bilateral relations between Japan and the United States is important for the security of Asia as well as the rest of the world."

"As Japan-U.S. relations mature, both nations must fulfill their responsibilities as mature nations. In this

respect, Japan must implement what it can do as quickly as it can," the YOMIURI said. "Above all, Japan must deregulate its economy and improve government procurement, which the government can do on its own," the daily added.

The daily also urged Japan to pursue the further realization of opening its markets by getting the stagnating economy on track through stimulating domestic demand with flexible fiscal and financial measures, as well as more strictly applying the antimonopoly law. It asked the U.S. to reconsider ways to promote foreign access to Japanese markets, saying "we can never agree with the idea of setting unilateral numerical targets and threatening to impose trade sanctions against Japan."

The leading economic daily NIHON KEIZAI SHIMBUN said, "Japan and the U.S. are in a state of economic war in the wake of the breakdown of the framework trade talks." Expressing concern that emotional confrontation could spread between the two countries, the daily said, "it is important that Japan and the U.S. try to strengthen bilateral relations by all means."

"Numerical targets demanded by the U.S. would surely lead to managed trade...but the Japanese side also made a mistake by saying only 'no' to the matter and did not act on opening markets, delaying pump-priming measures," it said.

"The biggest mistake was that both Japan and the U.S. faced off without taking into account the chaotic post-Cold War world," the NIHON KEIZAI said.

#### **Hiraiwa Warns U.S. Against Trade Retaliation**

*OW1402030694 Tokyo KYODO in English 0238 GMT 14 Feb 94*

[Text] Washington, Feb. 13 KYODO—A Japanese business leader cautioned the United States against hasty retaliatory action against Japan following the breakdown of trade talks, saying it would worsen bilateral relations.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), also said in Washington that it was wrong to begin the talks that collapsed Friday [11 February] while leaving the definition of "numerical targets" vague. The U.S. had sought such targets as a way of gauging progress in import penetration into the Japanese market.

Hiraiwa was speaking at a reception for Japanese and U.S. business leaders held in preparation for a conference between them slated for this summer in Tokyo.

Some 30 business leaders from the two countries attended the reception, with the Japanese side led by Yotaro Kobayashi, chairman of the Japan-U.S. Economic Council, and the U.S. side by Joseph Gorman, chairman of the U.S.-Japan Economic Council. Kobayashi is chairman of Fuji Xerox Co. and Gorman of the Ohio-based high-technology firm TRW Inc.

The councils are to hold a joint meeting starting Monday to discuss political and economic issues, including the chronic trade imbalance between the two countries.

U.S. Trade Representative Mickey Kantor is scheduled to give a speech at the meeting.

#### **Hosokawa on Trade Efforts Before G-7 Summit**

*OW1402044594 Tokyo KYODO in English 0439 GMT 14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—Prime Minister Morihiro Hosokawa vowed Monday [14 February] that Japan will make voluntary efforts to reduce its trade surplus with the United States before the summit meeting of the Group of Seven (G-7) major industrial countries in Naples in July.

Hosokawa made the remarks at a meeting of government and ruling coalition parties after he and U.S. President Bill Clinton failed during a summit meeting in Washington on Friday to reach an accord on a new trade framework, officials said.

Hosokawa was quoted as saying it is "not favorable" for Japan's 50 billion dollar trade surplus with the U.S. to continue and the situation "must be improved." He said it is imperative for both the private sector and the government to make appropriate efforts.

#### **White House 'Sharp Attack' on Trade Viewed**

*OW1402155294 Tokyo KYODO in English 1546 GMT 14 Feb 94*

[Text] Washington, Feb. 14 KYODO—The U.S. Government Monday [14 February] unleashed a sharp attack on Japan's trade policy, accusing the Japanese of maintaining subtle and covert market barriers against imports. The White House, in an annual report on the nation's economy, said the United States has sought "objective criteria" to measure Japan's imports because the Japanese trade structure differs from other industrial nations.

"Japan is an outlier [as received]," top White House economist Laura Tyson said in a briefing to reporters on the presidential economic report. The report said Japan does not keep foreign products out through tariffs and import quotas, which "are not significant trade barriers."

The obstacles which foreign businesses must face in Japan, it said, are more subtle and therefore more difficult to penetrate, particularly in the manufacturing sector. "Japan's market is regarded by many as effectively closed to imports of many foreign manufactures, especially those that directly compete with Japanese goods," the report said.

### **Official Says Tokyo To Take Trade Initiative**

*OW1402083494 Tokyo KYODO in English 0821 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—Japan will take the initiative in opening up its markets and reduce its huge surplus with the United States in the wake of collapsed bilateral trade framework talks, a top Foreign Ministry official said Monday [14 February].

Vice Foreign Minister Kunihiko Saito told a press conference Japan will do what it should do, whether or not there are any agreements with the United States. He said Japan will notify the U.S. Government and other countries once it makes specific decisions and that the Japanese Government will consider specific measures after consulting with relative ministries and agencies.

He pointed out that Japan has already hammered out an action program and it will take measures in line with that.

Describing the summit talks between Prime Minister Morihiro Hosokawa and U.S. President Bill Clinton as "meaningful" in that they were able to discuss items of common interest, Saito said it was regrettable that the two countries failed to reach an accord in the microeconomic field of the trade framework talks. But he said it was impossible for Japan to accept U.S. demands in the framework talks since Washington did not change its stance of urging the introduction of numerical targets to measure foreign access to Japan's markets.

Japan is opposed to the setting of numerical targets claiming it would lead to managed trade.

The two governments were expected to draw up a progress report on the framework negotiations by Friday when Hosokawa and Clinton met in Washington. But they remained at loggerheads over the interpretation of the application of "objective criteria."

### **Government Plans Surplus-Trimming Action**

*OW1402095394 Tokyo KYODO in English 0925 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—The government plans to formulate measures designed to trim Japan's unabated external trade surplus and open the country's markets in the wake of the breakdown of the Japan-U.S. "framework" trade talks.

Nobuo Ishihara, deputy chief cabinet secretary, told a press conference that working-level officials may hold an emergency meeting on the collapsed trade talks Tuesday [15 February] to prepare for a similar meeting among Prime Minister Morihiro Hosokawa and key cabinet members possibly later in the week.

The framework trade talks, aimed at redressing the bilateral trade imbalance, broke down last weekend over a U.S. proposal that "objective criteria" like numerical

targets be set to gauge Japan's efforts to open its market to foreign goods and services.

Government sources said Hosokawa appears unwilling to hastily restart the framework talks. Rather, they said, the premier wants to fashion a sort of new action program to present to the U.S. in a bid to break the ice on the bilateral negotiations.

At a meeting earlier in the day of government and ruling coalition parties, Hosokawa vowed that Japan would make voluntary efforts to bring down its trade surplus with the U.S. before the summit of the Group of Seven (G-7) major economic powers in Naples in July.

The sources said the forthcoming government meeting on the collapsed framework talks will study such measures as further deregulations to help correct the wide gap between domestic and overseas prices and boost imports, and more voluntary efforts by the private sector to open the market.

Asked what Japan will do about bilateral trade with the U.S., Trade Minister Hiroshi Kumagai also said earlier in the day that the government will consider "whatever macro and microeconomic steps Japan should take."

### **Hosokawa Urges Dialogue on DPRK Nuclear Issue**

*OW1402062794 Tokyo KYODO in English 0610 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—Prime Minister Morihiro Hosokawa said Monday [14 February] that the best way to resolve issues surrounding North Korea's suspected development of a nuclear weapons arsenal is through dialogue. In a meeting with the leaders of the government and ruling coalition parties, Hosokawa said, "Japan considers the best plan is through dialogue, no matter what the situation is."

In Washington over the weekend, however, the prime minister told reporters that Japan will take all possible measures to the extent of Japanese law if the United Nations Security Council proposes sanctions against Pyongyang.

Meanwhile, Wataru Kubo, secretary general of the Social Democratic Party, told reporters Monday that imposing sanctions against North Korea would be counterproductive.

Kubo proposed that a resolution be sought through the friendly connections between the North Korean Workers' Party and the Chinese Communist Party. He stressed further that there is no way of knowing what kind of ill effects sanctions would have on both North Korea and Japan.

"Even though negotiations for establishing diplomatic relations between Japan and North Korea have broken down, efforts to improve relations would open the path" to resolving the nuclear issue, Kubo said.

**Hosokawa, Kim Agree Cooperation Needed on DPRK***OW1402095894 Tokyo KYODO in English 0938 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—Prime Minister Morihiro Hosokawa and South Korean President Kim Yong-sam on Monday [14 February] agreed on the importance of tripartite cooperation with the United States in getting North Korea to accept inspections of its nuclear sites, Japanese Government officials said.

Earlier, Hosokawa had told leaders in his ruling coalition government that Japan considered dialogue the best means of resolving suspicions that Pyongyang may be attempting to build a nuclear arsenal.

Hosokawa, following a meeting with U.S. President Bill Clinton over the weekend, had indicated that Japan was ready to support the United Nations Security Council if it decides to impose sanctions on Pyongyang.

On Monday, Hosokawa spoke with Kim by telephone and both leaders agreed that cooperation with the U.S. will be essential to getting Pyongyang to accept inspections of its nuclear sites by the International Atomic Energy Agency, the officials said.

With the IAEA board of governors set to meet February 21, the U.S. has indicated a willingness to take Pyongyang's refusal to allow the checks to the Security Council and press for sanctions.

Japan and South Korea, which fear that sanctions might further heighten tension on the Korean peninsula and eventual disruptions in east Asia, have been seeking a negotiated settlement to the inspections impasse.

Pyongyang maintains that its nuclear facilities are for peaceful purposes only, but has refused for more than a year to grant IAEA inspectors access to sites believed to be nuclear waste storage facilities.

During the meeting earlier in the day with the leaders of the government and ruling coalition parties, Hosokawa said, "Japan considers the best plan is through dialogue, no matter what the situation is.

In Washington over the weekend, however, the prime minister told reporters that Japan will take all possible measures to the extent of Japanese law if the Security Council proposes sanctions against Pyongyang.

Meanwhile, Wataru Kubo, secretary general of the Social Democratic Party [of Japan], the largest among the seven ruling parties, told reporters Monday that imposing sanctions against North Korea would be counterproductive.

Kubo proposed that a resolution be sought through the friendly connections between the (North) Korean Workers' Party and the Chinese Communist Party. He

said further that there is no way of knowing what kind of ill effects sanctions would have on both North Korea and Japan.

"Even though negotiations for establishing diplomatic relations between Japan and North Korea have broken down, efforts to improve relations would open the path" to resolving the nuclear issue, Kubo said.

**Apology for Economic Package  
'Misunderstanding'***OW1402081194 Tokyo KYODO in English 0744 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—A senior trade ministry official apologized Monday [14 February] for a "misunderstanding" caused by an internal ministry document advising outside bodies how to respond to reporters' questions about the government's new economic package.

Hideaki Kumano, vice minister at the International Trade and Industry Ministry (MITI), was commenting on a newspaper report that the document told major economic organizations to give a good evaluation of the 15.25 trillion yen package announced February 8. Some phrases in the document were "inappropriate," Kumano told a regular press conference.

But he added that the document, prepared for the ministry's internal use for what he termed "clarification," was not intended for distribution to outside organizations.

The TOKYO SHIMBUN, a major daily, said Monday that MITI had shown the Federation of Economic Organizations (Keidanren), the Japan Chamber of Commerce and Industry and other economic organs a list of model answers to give when asked for comments by reporters on tax reforms and other steps contained in the package. Most of the economic organizations rejected the instructions as "opinion making by bureaucrats," the newspaper said.

Kumano said MITI had no intention of putting any pressure on the economic community and will take every step to ensure that a similar misunderstanding does not take place in the future.

Kumano expressed concern over the yen's sharp upswing against the dollar following Friday's collapse of the trade framework talks between Japan and the United States.

Corporate earnings may turn worse again at a time when inventory adjustment has been progressing smoothly and overall business sentiment had picked up thanks to the record 15.25 trillion pump-priming package launched February 8, he said.

The failure to reach agreement in the summit between Prime Minister Morihiro Hosokawa and President Bill Clinton served to put "a chill blanket" on the exchange market and other sectors of the economy, Kumano said.

He cited the need for both countries to make efforts to mend their soured economic ties by returning to the "starting point" of the current framework talks.

He was referring to an accord reached last July between Clinton and then-Prime Minister Kiichi Miyazawa.

The "objective criteria" spelled out in the accord do not call for either country to make any promise in "future matters," Kumano said, repeating Japan's opposition to setting numerical targets to measure progress in import penetration.

The ongoing Japan-U.S. wrangling over the definition of objective criteria could be settled if they read the accord "carefully," he said.

#### **'Government Source' on Toleration of High Yen**

*OW1402031294 Tokyo KYODO in English 0252 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—The yen's sharp rise on foreign exchange markets stems from Japan's current account surplus, and Japan may have to tolerate it, a government source said Monday [14 February].

The yen shot up by over 2 yen against the U.S. dollar in early Tokyo interbank trading Monday in reaction to the failure of talks between Prime Minister Morihiro Hosokawa and President Bill Clinton on Friday to resolve a trade dispute.

The source said on condition of anonymity, "Foreign exchange rates reflect the balance of current account of a country. Japan, with this much surplus, may have to bear the yen's advance."

#### **Fujii Sees 'Speculative Movements' in Yen's Jump**

*OW1402105094 Tokyo KYODO in English 1039 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—Finance Minister Hirohisa Fujii said Monday [14 February] there were "somewhat speculative movements" involved in the day's sudden surge in the yen against the U.S. dollar.

Fujii repeatedly told a regular press conference that there appeared to be speculative elements in currency trading, but he declined to tie the surge to any cause. He said Tokyo would take "appropriate measures at the right time" but refused to be specific.

The Japanese currency soared 2.56 yen in Tokyo trading to 105.69 yen to the dollar, with dealers citing the failure of Japan-U.S. trade talks at last Friday's summit in Washington.

Market players have said failure by the two countries to pare Japan's huge trade surplus would invite high-yen pressure from Washington, and U.S. officials were quoted by the Japanese press as saying a higher yen would not be surprising. But Fujii said, "I would like to avoid comment" on causes of the yen's rise.

He said it is the "common understanding" of seven leading industrial nations that exchange rates should move in a stable manner, reflecting economic fundamentals.

Asked about Japan-U.S. trade relations, Fujii defended Tokyo's macro- and microeconomic efforts, saying "misunderstandings remain" on the U.S. side.

On the insurance sector, which is under his ministry's jurisdiction, Fujii refuted charges that Japan is dragging its feet, saying the government of Prime Minister Morihiro Hosokawa is making every effort to "solemnly" deregulate its insurance market.

Separately, a senior ministry official said the two sides had nearly agreed on the insurance sector before Friday's meeting of Hosokawa and President Bill Clinton, remaining hung up on how to define "objective criteria" to gauge progress.

Japan remains opposed to U.S. calls for what he said were essentially numerical targets of market share, which is decided by private business decisions, not government fiat, he said. Deregulation is the key to improving market access in insurance, and measuring market share is unrelated to progress on deregulation, the official said.

Despite U.S. warnings that it may review the bilateral trade "framework," the official said a July deadline for the talks has not changed and that Japan will proceed with its insurance deregulation.

Fujii said Japan's politically divisive tax cut, decided last week, has also been misunderstood.

Although the nearly 6 trillion yen worth of income and residential tax cuts were proposed for one year only, they are not single-year rebates, Fujii said, stressing that they comprise reduced rates of application.

The tax cuts are "the first step in a full-fledged tax reform" promised by the governing coalition, he said.

Fujii also defended the strict curbs in growth of spending on the military and for official development assistance (ODA), agreed Monday for inclusion Tuesday in the government's draft of the fiscal 1994 budget.

The final adjustments reflect the accumulated individual policy needs of each ministry or agency, Fujii said.

As all the government's cabinet ministers visited the Finance Ministry in turn for final budget talks with Fujii, attention focused on the record low 4.8 percent ODA rise from the initial fiscal 1993 budget and the 34-year low 0.9 percent increase for the Defense Agency.

**Exchange Rate Speculation Said 'Undesirable'**

*OW1402100194 Tokyo KYODO in English 0942 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—The dollar-yen rate is moving on "speculative dealings," and this is "undesirable," a top Finance Ministry official said Monday [14 February]. The official, requesting anonymity, said he "favors exchange rates that reflect economic fundamentals."

The dollar fell more than 2 yen to sink below 106 yen in Tokyo after Prime Minister Morihiro Hosokawa and U.S. President Bill Clinton failed to reach an agreement on the framework trade talks at their weekend meeting in Washington.

Rejecting possibilities of an overall review of the trade talks, the official said both sides decided on "a cooling-off period" but "the July deadline is unchanged."

Aside from the issue of "objective criteria" which lead to the failure of the summit, the official said the insurance field was "near agreement," and stressed that Japan would continue promoting deregulatory steps and other measures.

**Hosokawa Denies SANKEI Report on Reshuffle**

*OW1402041794 Tokyo NHK General Television  
Network in Japanese 0304 GMT 14 Feb 94*

[Announcer-read report on Prime Minister Hosokawa's 14 February remarks on SANKEI report on possible cabinet reshuffle; from "NHK News" program]

[Text] This morning, Prime Minister Morihiro Hosokawa told reporters he would finalize his stance toward a cabinet reshuffle after the Diet approval of the fiscal 1994 budget.

In the conversation with reporters, Prime Minister Hosokawa denied a press report that he may reshuffle the cabinet as early as 15 February. When asked about the possibility of a cabinet reshuffle after the enactment of the 1994 budget, he said he has no idea unless the budget is approved.

In a 12 February news conference in Washington, Prime Minister Hosokawa said he intends to devote himself to the Diet deliberations on the budget for the time being; the reshuffle of the cabinet is not on the agenda. It is believed he meant he would determine if he would reshuffle the cabinet after the Diet approval of the 1994 budget.

In connection with this, Chief Cabinet Secretary Masayoshi Takemura said in a news conference this morning that the prime minister has the authority to determine when to reshuffle the cabinet. Then, he stated as follows:

[Begin Takemura recording] In my understanding, I did not feel it was the intention of the prime minister when I met with him yesterday and today. I guess the prime

minister currently has no plan for a cabinet reshuffle, as he said at yesterday's news conference. [end recording]

**Ozawa Predicts Emergence of New Hosokawa Party**

*OW1402011194 Tokyo KYODO in English 0054 GMT  
14 Feb 94*

[Text] Tokyo, Feb. 14 KYODO—Shinseito co-leader Ichiro Ozawa wants ruling coalition parties to merge into a new party to be led by Prime Minister Morihiro Hosokawa to win in the next general election for the House of Representatives, the mass-circulation daily YOMIURI SHIMBUN reported Monday [14 February].

Ozawa, a powerful figure in the coalition government, said in an interview with the paper that the "(ruling parties) have no choice but to compete in (the next lower house) election as a single party." He was quoted as saying that such a merger is necessary to win against the primary opposition Liberal Democratic Party (LDP) in the next lower house polls to be held under a new electoral system, which combines single-seat constituencies and proportional representation seats.

Ozawa said the ruling parties will not form a government with the LDP after the election, the report said.

The politician predicted that political realignment, including a merger of the ruling parties, would progress rapidly after the current Diet session officially approves a package on the new electoral system later this month, the daily said.

The package was passed in the Diet last month but because of time constraints no date was set for implementation. The current Diet session is slated to revise the bills.

Ozawa was quoted as saying that the new party would group people who think Hosokawa should be kept as the leader and who believe Japan should enact a basic security law defining Japan as a peaceful nation with the United Nations as its lead.

Ozawa also said the new party would stress a policy of free competition with relaxed regulations as much as possible, the paper said. "This idea will surely have many supporters," he said in the report.

Last summer, Ozawa defected from the LDP which surrendered its 38-year grip on power to the current coalition in August 1993.

## North Korea

### Spokesman Urges End to U.S. 'Pressure Campaign'

SK1202104994 Pyongyang KCNA in English 1031  
GMT 12 Feb 94

["If U.S. Is Willing To Have Dialogue, It Must Stop Pressure Campaign Against DPRK, Declares DPRK FM Spokesman"—KCNA headline]

[Text] Pyongyang, February 12 (KCNA)—If the United States is truly willing to have a dialogue, it must prove this by action and it must, first of all, stop the present pressure campaign against the DPRK, declared a spokesman of the Foreign Ministry of the Democratic People's Republic of Korea.

Answering today a question of KCNA on the present situation surrounding the nuclear issue of the Korean peninsula, the spokesman said there is no change in our stand of resolving the nuclear issue through dialogue.

He noted that if the United States really want to resolve the nuclear issue on the Korean peninsula, it should no longer seek to isolate and stifle the DPRK with a double-dealing tactics as now but clearly indicate its correct stand toward the talks first of all.

Recalling that on January 31 we published a statement clarifying our principled stand toward the great difficulties laid in the solution of the nuclear issue of the Korean peninsula by the unjustifiable act of the United States, he said:

The United States openly defended the secretariat of the International Atomic Energy Agency (IAEA) which was demanding that we accept an unjust inspection tantamount to a comprehensive inspection, contrary to the points of agreement between the the DPRK and the U.S. and U.S. political figures went off into an undisguised war hysterics against us.

All this was clear manifestation of the policy of stifling the DPRK.

When the United States and the IAEA secretariat were resorting to base intrigues to stifle our Republic, openly reversing the spirit of the DPRK-U.S. agreement like this, we could no longer pin hope on the DPRK-U.S. talks and, accordingly, made a resolute decision to walk our own way, not bound to any promise.

This decision of ours was immediately conveyed to the U.S. side through a relevant channel.

In this regard the U.S. side made clear that the inspection by the IAEA should be one purely for the continuity of safeguards and officially notified our side that there was no change in its stand to continue DPRK-U.S. talks and it was willing to discuss the nuclear issue and the improvement of the relations between the DPRK and the U.S. as a whole at the third round of talks.

Synchronizing with this, the secretariat of the IAEA suggested that it would seek an inspection only for the continuity of safeguards, renouncing its absurd former claim for a comprehensive inspection.

It is a fortunate thing, if the United States and the secretariat of the IAEA mean what they say.

However, the clamor for pressure on the DPRK continuously raised by the U.S. hardline conservatives makes us deeply doubt whether this stand of the United States is true, or not.

The U.S. Senate reportedly passed a "resolution on sanctions" against the DPRK some time ago and then the U.S. ambassador in the United Nations called a consultative meeting of the permanent members of the UN Security Council and discussed the feasibility of the "sanctions".

The United States and the South Korean authorities are even showing an undisguised movement to stage the "Team Spirit" joint military exercises. It obviously contradicts the stand for continued talks for the United States to resort to such row of pressure before the end of the negotiations for defining the scope of inspection for the continuity of safeguards between the DPRK and the IAEA Secretariat.

If the United States thinks it can get something by frightening us with strength, regarding pressure as an almighty solution, it is a mistake.

The heavier the pressure on us, the firmer our determination.

We will watch the future action of the United States with concern.

### Pyongyang TV Reports Statement

SK1202122794 Pyongyang Korean Central Television  
Network in Korean 1130 GMT 12 Feb 94

[Text] In response to a question on the present situation surrounding the nuclear issue of the Korean peninsula asked by a Korean Central News Agency reporter, a DPRK Foreign Ministry spokesman gave the following answer:

As everyone knows, on 31 January, we published a statement clarifying our principled stand toward the great difficulties laid in the solution of the nuclear issue of the Korean peninsula by the unjustifiable act [pudanghan haengwi] of the United States.

Contrary to the agreement between the DPRK and the United States, the United States openly defended the Secretariat of the International Atomic Energy Agency [IAEA], which demands that we accept an unjust inspection tantamount to full-scope inspection [chonmyon sachal], and U.S. political figures went off into undisguised war hysterics [nogol chogin chonjaeng kwangjung] against us.

All this was a clear manifestation of the policy of crushing [apsal] the Republic.

When the United States and the IAEA Secretariat were resorting to base intrigues to crush [apsal] our Republic, openly reversing the spirit of the DPRK-U.S. agreement like this, we could no longer pin hope on the DPRK-U.S. talks and, accordingly, made a resolute decision to walk our own way [chegalkillo nagalsupake optanun tanhohan kyolsimul naerige], not bound to any promise.

This decision of ours was immediately conveyed to the U.S. side through a relevant channel.

In this regard the U.S. side made clear that the inspection by the IAEA should be one purely for the continuity of safeguards [sunsu tamboui yonsoksong pojangul wihan sachallo] and officially notified our side that there was no change in its position to continue DPRK-U.S. talks and that it was willing to discuss the nuclear issue and the improvement of the relations between the DPRK and the United States as a whole if the third round of talks were held.

Timed to coincide with this, the IAEA Secretariat suggested [sisal] that it would renounce its absurd former claim for full-scope inspection and seek an inspection purely for the continuity of safeguards.

It is a fortunate thing, if this position of the United States and the IAEA Secretariat were true.

However, the pressure commotions against the Republic, which the U.S. hard-line conservatives are continuously kicking up, make us deeply doubt whether this position of the United States is true or not.

The U.S. Senate reportedly passed a resolution on sanctions against us some time ago, and the U.S. representative [taepyo] in the United Nations reportedly convened a consultative meeting of the permanent members of the UN Security Council and discussed the feasibility of the sanctions.

The United States and the South Korean authorities are even showing an undisguised movement to stage the Team Spirit joint military exercises. The United States resorts to such pressure commotions even before the end of the negotiations between the DPRK and the IAEA Secretariat for defining the scope of inspection for the continuity of safeguards. This obviously contradicts [myongbaekhui mosundoenda] a position to continue talks.

If the United States is truly willing to have a dialogue, it must prove this by action and it must, first of all, stop the present pressure commotions against the Republic.

Our position to resolve the nuclear issue through dialogue has not changed.

If the United States really wants to resolve the nuclear issue on the Korean peninsula, it should no longer seek

to isolate and crush [korip apsal] us with double-dealing tactics as now but clearly indicate its correct position toward the talks first of all.

If the United States thinks it can get something by frightening us with strength, regarding pressure as an almighty solution, it is a mistake. The heavier the pressure on us, the firmer our determination.

We will watch the future action of the United States with concern [kwansimul kajigo].

### **Demand for Full Inspection Not 'Justifiable'**

*SK1202103194 Pyongyang Korean Central  
Broadcasting Network in Korean 0928 GMT 12 Feb 94*

[NODONG SINMUN 12 February commentary: "The United States Must Act With Discretion"]

[Text] The United States, which has built a grave obstacle to peacefully resolving the nuclear issue on the Korean peninsula even after overturning its agreement with us, is now behaving more recklessly. Completely contrary to the agreement, U.S. hard-line conservatives urge us to accept a full-scope inspection [chonmyon sachal] and are openly maneuvering to bring our nuclear issue to the UN Security Council. They are also urging France, Britain, Russia, and other countries to join in sanctions [chejae] on us. This is a maneuver to bring the situation to a catastrophe [paguk] to the end.

As clearly manifested in the agreement reached at the DPRK-U.S. contact held toward the end of last year, the inspection which we agreed to receive is an inspection for purely ensuring the continuity of safeguards [sunsu tamboui yonsoksong pojangul wihan sacharida]. This inspection is starkly different [omyonhui kubyoltoenda] from regular and irregular inspections [chonggi mit pijonggi sachal] legally required by the Nuclear Nonproliferation Treaty [NPT].

Inspection for ensuring the continuity of safeguards has stemmed from our special position [tuksuhan chiwi] that we temporarily suspended the effectuation of our withdrawal from the NPT.

The United States must not have forgotten the agreement reached at the DPRK-U.S. contact which was held toward the end of last year, not several years ago, or failed to differentiate an inspection for purely ensuring the continuity of safeguards from a full-scope inspection [chonmyon sachal], which is tantamount to a return to the treaty.

In view of our special position and the promise between us and the United States, demanding a full-scope inspection can in no way be justifiable. Nevertheless, U.S. hardline conservatives ask us to accept a full-scope inspection and are openly maneuvering to have sanctions [chejae chochi] imposed on us in case we do not accept this request. This cannot be construed otherwise

than an act for blocking the peaceful resolution of the nuclear issue and deliberately bringing the situation to a catastrophe.

This kind of act by the United States in fact shows that it has from the beginning no will to resolve the issue peacefully through talks, but that it is only pursuing the goal of trying to provide a moral obligation to crush [apsal] us in whatever way.

Viewing from its cause and characteristics, the nuclear issue on the Korean peninsula is an issue which must be resolved between us and the United States. It is very clear that the nuclear issue on the Korean peninsula is not an issue to be discussed at the UN Security Council. The hardline conservatives of the United States are trying to drag our nuclear issue to the United Nations. This is because it is a reemergence of its habitual maneuver to use the United Nations as its tool of tyranny.

France is actively following such maneuvers of the United States. France is a nuclear power and has committed innumerable nuclear tests, thus seriously polluting man's ecological environment. Therefore, it is a country that is receiving resolute protest and denunciation from the broad peace-loving people of the world. France's act of scheming with the United States by shamelessly interfering in the nuclear issue on the Korean peninsula, is indeed inviting the people's hatred.

As the whole world knows, we have already clearly announced that any kind of sanctions will be regarded as a proclamation of war against us. It is a well known fact that we by no means make empty talk. The hard-line conservatives of the United States and their followers who are scheming to unreasonably drag our nuclear issue to the UN Security Council to take sanctions, must contemplate on what dangerous consequences their moves can bring about.

Pressure and threat do not by any means work for us. The United States must correctly know who it is dealing with and act with discretion.

#### **Demand for Full Inspection Said 'Unreasonable'**

*SK1202111994 Pyongyang KCNA in English 1015  
GMT 12 Feb 94*

["Demand of Seditious Quarters of IAEA Is Unacceptable"—KCNA headline]

[Text] Pyongyang, February 12 (KCNA)—The seditious quarters of the International Atomic Energy Agency instigated by the United States, are demanding a comprehensive inspection of the DPRK and threatening that it would take a new "step," if we refused it. Commenting on this, MINJU CHOSON today says:

This is a sinister act trampling upon the sovereignty and dignity of our Republic and a crude interference in our internal affairs. And it is a deliberate act to block a

peaceful solution of the nuclear issue by complicating the situation on the Korean peninsula.

The author of the commentary further says:

The DPRK is a special position today after temporarily stopping the effectuation of its withdrawal from the Nuclear Nonproliferation Treaty.

At the DPRK-U.S. contacts last year it had agreed to receive inspection necessary for the continuity of the safeguards of the IAEA on its nuclear sites and discussed this matter with the secretariat of the agency.

If the secretariat truly has the intention to peacefully solve the nuclear issue on the Korean peninsula, it must renounce its unreasonable demand going beyond the scope of inspection necessary for the continuity of safeguards.

No threat and blackmail can work on the Korean people.

The seditious quarters of the IAEA should look squarely at the reality and behave themselves properly.

#### **U.S. Conservatives' Call for Sanctions Decried**

*SK1202052794 Pyongyang KCNA in English 0516  
GMT 12 Feb 94*

["The U.S. Must Act With Discretion"—KCNA headline]

[Text] Pyongyang, February 12 (KCNA)—The U.S. hardline conservatives are urging the Democratic People's Republic of Korea to accept a comprehensive inspection and trying to bring its "nuclear problem" to the United Nations Security Council, while egging some countries on to join in "sanctions" against the DPRK.

Commenting on this, NODONG SINMUN and MINJU CHOSON today say this is a scheme to bring the situation to a hopeless phase.

A NODONG SINMUN analyst says:

Their call for a comprehensive inspection can never be justified both in view of the special position of the DPRK, which has temporarily suspended the effectuation of the withdrawal from the Nuclear Non-Proliferation Treaty, and the agreement reached between the DPRK and the United States. Nevertheless, the U.S. hardline conservatives are urging the DPRK to accept a comprehensive inspection and openly scheming to take "sanctions" against the DPRK unless their demand was met. This cannot be construed otherwise than an act to obstruct a peaceful solution to the nuclear issue and intentionally bring the situation to a hopeless phase.

France, which possesses nuclear weapons and has been bitterly denounced by the world peaceloving people for its many nuclear tests, has the hardihood to join the United States in its nuclear clamor. This invites hatred from the people.

We have already declared in an explicit term that we would consider any kind of "sanctions" to be something like a declaration of war against us. It is well known a fact that we never utter empty words.

The U.S. hardline conservatives and their lackeys must ponder over what dangerous consequences their moves may entail.

The United States must know well whom it is dealing with and act with discretion.

A MINJU CHOSON analyst says that if the United States try to overpower the DPRK with "strength," it would be a big mistake and it would meet defeat more serious than that it suffered in the Korean war in the '50s.

### **Ministry Denounces France's Call for Sanctions**

*SK1102042594 Pyongyang KCNA in English 0415 GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea answered a question put by KCNA today as regards the recent call of the French Foreign Ministry for "sanctions" against the DPRK over its "nuclear problem." He said:

A deputy spokesman for the Foreign Ministry of France released a provocative "statement" on February 3, claiming that there had been no success in the DPRK-U.S. talks and it was time to bring up the issue of taking "sanctions" against the DPRK at the United Nations Security Council.

At a time when a serious crisis has been created in the situation of the Korean peninsula by a perfidious act of the United States, France freely cried for "sanctions" against the DPRK, though she must know well what such "sanctions" would mean. This was not aimed at preventing nuclear proliferation but at finding a pretext for resuming its nuclear tests by taking issue with the DPRK's "nuclear problem."

Lurking behind this impudent act of France is also her sinister intention to foil the DPRK-U.S. talks, egg the United States on to a showdown with the DPRK and cause a military conflict in the Northeast Asian region including the Korean peninsula so that it may fish in troubled waters through the massive sale of weapons of destruction. This is clearly proven by the fact that France has sold large quantities of weapons to this region including South Korea in recent years.

It is until some time ago that France sold a big amount of plutonium to Japan, not joining the nuclear Non-Proliferation Treaty [NPT] on the pretext of "modernization of nuclear deterrent." It is unbecoming to her to express "concern" over the fate of the NPT now.

It is really the height of sarcasm for France, which possesses many nuclear weapons and now feels an urge

to continue nuclear tests, to cry for "sanctions" against the DPRK, charging it with the "nuclear problem".

We cannot but take a serious view of the fact that the France authorities, ignoring our sincere efforts for a fundamental solution to the nuclear issue on the Korean peninsula, are resorting to bellicose acts against us.

If France persist in such insidious acts without discretion, we will take necessary measures against them.

France must look squarely at the situation and ponder on the matter.

### **Budgeting of Funds for Team Spirit Denounced**

*SK1102131694 Pyongyang Korean Central Broadcasting Network in Korean 1153 GMT 11 Feb 94*

[Commentary by Yun Pyong-son: "Unchanged Ambition for Aggression"]

[Text] It was revealed in a report that the United States officially appropriated a budget for the Team Spirit joint military exercise in its defense budget bill for next year's fiscal year. This was revealed when U.S. Defense Secretary Perry answered a question raised by a senator at the budget deliberation of the Senate Military Committee on 9 February. Also, the chairman of the U.S. Joint Chiefs of Staff explained that the budget for the Team Spirit joint military exercise is included in next year's budget bill.

For the United States to appropriate a budget for the Team Spirit joint military exercise in the budget bill of next year's fiscal year is a planned and intentional maneuver to aggravate tension on the Korean peninsula and to further drive the situation toward a catastrophic war. This is an open challenge against us who hope to achieve peace and reunification.

As everyone knows, the Team Spirit joint military exercise is a large scale war exercise to invade the North, which is being committed by mobilizing hundreds of thousands of enormous forces including up-to-date war equipment such as nuclear weapons and U.S. imperialist aggression forces brought in from the U.S. continent and U.S. bases in the Pacific, the U.S. troops occupying South Korea, and the South Korean puppet army.

In its character, content, and scope, this war exercise is a very provocative and reckless preliminary war and a test nuclear war aimed at a nuclear preemptive strike toward the northern half of our republic. Whenever this war exercise is committed, tension is aggravated on the Korean peninsula and a strained situation is created in which a war may break out at any moment.

That is why the world has been strongly demanding the permanent suspension of the Team Spirit joint military exercise. Also, the issue of suspending the Team Spirit war exercise was brought up as one of the important agendas in the North-South dialogues and DPRK-U.S. talks.

In fact, under the conditions in which more than 1,000 nuclear weapons are deployed in South Korea, if a war breaks out on the Korean peninsula, its flame will be easily spread outside the territory of Korea, then a grave consequence will arise.

The United States has promised in the DPRK-U.S. talks and contacts that it would suspend the Team Spirit exercise. This is because the United States itself has admitted the danger of the Team Spirit exercise. In the DPRK-U.S. talks and contacts, the United States has promised that it will not use any arms, including nuclear weapons, nor pose a threat to us by them. However, the United States has abandoned its promise and put pressure on us, while talking about sanctions against us. Also, it has officially included the budget for the Team Spirit war exercise into the defense budget for the next fiscal year. This is another mean betrayal, as well as a challenge to the party to dialogue.

While smiling at us at the negotiating table, the United States has said that it will not conduct the Team Spirit war exercise. On the other hand, behind us, it has included the budget for the Team Spirit exercise into the defense budget for the next fiscal year. This fact clearly shows that although the United States babbles about the relaxation of tensions or dialogue or peace on words, it does not indeed want them, and that it pursues only the reckless policy of power to crush [apsal] us with military might in cooperation with the South Korean puppets.

Also, this has proven that there are no changes in the United States' policy toward Korea. As a coyote's instinct is not changed, the United States' aggressive instinct and ambition will not change. In fact, under these circumstances in which the Cold War ended on the earth and in which our nation wishes peace, not war, there is no reason at all for the United States to conduct the Team Spirit joint military exercise next year.

It will not be even beneficial to the United States itself to squander a great amount of expenditures by introducing a great number of troops and war equipment into South Korea and by conducting the Team Spirit joint military exercise for several months.

Nevertheless, the United States wants to conduct the Team Spirit war exercise again next year against us. This shows that it wants, without fail, to set a fire of war on the Korean peninsula. However, the United States will not frighten our people—who rise up for the just cause—nor bring them into submission by any military threat or blackmail.

Our people and the People's Army, who are ready for either dialogue or war, will return a war for a war if the United States dares to wage a war against us. They retaliate thousand-fold against aggressors.

The United States must not commit a rash and thoughtless act, being clearly aware that we do not make empty talks. The U.S. plot to resume the dangerous Team Spirit

joint military exercise will be strongly denounced by the broad peace-loving people throughout the world.

### **Troop Movements for Team Spirit Denounced**

*SK1402134994 Pyongyang Korean Central  
Broadcasting Network in Korean 1150 GMT 14 Feb 94*

[Commentary by Chong Pong-kil: "Ominous Military Movements"]

[Text] According to foreign news reports, at a time when the focus of attention is whether the Team Spirit-94 joint military exercise will be conducted or not, the U.S. forces in Okinawa have started making movements. They appear to be making those movements on the assumption that this exercise will be conducted. The Belleau Wood attack landing ship, the (Danedo) landing transport ship, and the (Rodney Davis) missile frigate ship of the 7th U.S. Fleet reportedly entered or left the (Whitebeach) military port in central Okinawa on 8 and 9 February. They were loaded with the armed troops of the Third U.S. Marine Expeditionary Forces and combat vehicles and various other military equipment. The 353d special operation unit of the U.S. Air Force at the Kadena base left for South Korea aboard MC-130, (Convert), and (Halon) special operation aircraft. The U.S. military authorities have said that they could not comment on these military units movements because they were operational actions.

U.S. and South Korean media report the United States decided to start the Team Spirit joint military exercise on 22 March and ordered the reservists to get ready. However, THE STARS AND STRIPES, a semiofficial paper of the U.S. Pacific Command, reported on 9 February that no decision had been made on whether the Team Spirit war exercise would be conducted or not and that the reservists and some military units had been on the way to South Korea for training purposes.

The movements of the U.S. imperialist aggression forces based in Okinawa are very ominous and make us more vigilant [kaksongul nopiji]. As everybody knows, the issue of whether the Team Spirit war exercise is conducted or not this year is a very serious and it is directly linked to the peaceful resolution of the nuclear issue on the Korean peninsula. Therefore, as an imminent measure [tangmyonhan chochi] to hold a third stage of talks and resolve the nuclear issue in a package deal, the DPRK and the United States agreed toward the end of last year that the United States would not conduct the Team Spirit joint military exercise in 1994 and that we would receive a limited scope of inspections [hanjongdoen pomwiui sacharul] necessary to ensure the continuity of the International Atomic Energy Agency's safeguards.

If the United States discards its agreement with us and tries to conduct the Team Spirit-94 joint military exercise, it will be an intolerable mockery of us, a denial of dialogue, and a criminal act that brings the situation on the Korean peninsula to the brink of war.

In actuality, U.S. officials are saying that if the Team Spirit joint exercise cannot be conducted, the United States will plan to conduct other joint military exercise targeted at our Republic. They are openly raving that if the joint military exercise cannot be held in South Korea, it should be conducted even in Hawaii.

In this connection, the DPRK Foreign Ministry's spokesman issued the statement on 31 January. This nonetheless, the Okinawa-based U.S. forces began a military movement since 8 February, which is regarded as the simulation of the conduction of the Team Spirit joint military exercise. This is something that cannot be overlooked.

Whenever the United States conducted the Team Spirit joint military exercise, it, with Japan as a launching base, brought mass- destruction weapons, including nuclear weapons and war equipment, into South Korea and conducted war exercises against the northern half of the Republic.

The United States shipped a landing ship, a transport ship, frigate ship to (Whitebeach) port and brought combat vehicles and troops into South Korea. In view of its timing and strategy, we cannot but regard this as the reoccurrence of the Team Spirit war exercise.

Washington-backed propaganda means reported that the United States has decided to conduct the Team Spirit war exercise beginning on 22 March and ordered reservists to prepare for the Team Spirit. This is never a coincidence.

It is a gross miscalculation if the United States is thinking of deceiving us by employing a double-pronged strategy—paying lip service about the peaceful solution of nuclear issue but, in fact, running wild for the moves to bring about a new war against our Republic.

The double-pronged strategy will further consolidate our resolution. If the United States is to assume the position to resolve the nuclear issue on the Korean peninsula, it should show this through an actual activity and should, above all, give up the current pressure commotions against the Republic.

There is no change in our position to resolve the nuclear issue through dialogue. We already expressed our clear position toward the United States trying to crush us through strength.

We mean what we say, we never say an empty word. If the United States constantly tries to crush us through military commotions in spite of our warnings, it should be held entirely responsible for a grave situation to be entailed therefrom.

We will carefully watch U.S. activities henceforth.

#### **Military Sources Report U.S. Exercise 9 Feb** *SK1102044694 Pyongyang KCNA in English 0408* *GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—The U.S. imperialists on February 9 staged a long-distance bombing exercise against the northern half of Korea in the skies above Yongwol and Pyongchang, South Korean Kangwon Province, with pursuit-assault planes and refueling tankers introduced to increase the capacities of mobility and surprise strike of the overseas-based flying corps, according to military sources.

On the same day, a "P-3" anti-submarine patrol plane which took off from the Yokosuka base of Japan staged a strike exercise above the waters of South Korea, making low- and ultra-low altitude flights.

On February 8 and 9, large-calibre artillery units and armed bandits of the South Korean puppet Army kicked up a row in various areas of Paju County, and Chorwon and Yonchon Counties of South Korean Kangwon Province adjacent to the Demilitarized Zone along the Military Demarcation Line, firing at random artillery pieces and large-calibre machine guns and automatic rifles.

The frenzied play with fire of the U.S. imperialists and the South Korean puppets is a grave challenge to the unanimous desire of the Korean people and the world peaceloving peoples for peace and detente on the Korean peninsula.

#### **10 Feb U.S. 'Suprise Bombing Exercise' Condemned**

*SK1202043694 Pyongyang KCNA in English 0433*  
*GMT 12 Feb 94*

[Text] Pyongyang, February 12 (KCNA)—The U.S. imperialists on February 10 staged a provocative surprise bombing exercise against the North with the mobilization of formations of overseas-based assault planes and an early warning plane, according to military sources.

Formations of Japan-based assault and pursuit-assault planes flew into the skies above Nyongwol and Kunwi, South Korea that day and held a frantic war exercise of surprise strikes at selected targets and return to their base under the command of the "E-3" early warning plane.

The ceaseless war maneuvers of the U.S. imperialists are further straining the situation on the Korean peninsula.

#### **31 Jan Statement Distributed at Security Council** *SK1102043694 Pyongyang KCNA in English 0403* *GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—The January 31, 1994, statement of the DPRK Foreign Ministry spokesman denouncing the United States for recently reversing the points agreed upon between the DPRK and

the United States over a peaceful solution of the nuclear issue on the Korean peninsula was distributed as official document of the UN Security Council S/1994/105 on February 1.

### **Commentary Denounces Plans for Radio Free Asia**

*SK1102091594 Pyongyang Korean Central  
Broadcasting Network in Korean 0940 GMT 10 Feb 94*

[Commentary by Kim Ho-san: "Nothing Can Be Gained from Slandorous Smear Propaganda"]

[Text] The U.S. ideological and cultural offensive to destroy from within the socialist countries and independent countries in Asia has reached a more grave stage. According to a report, the U.S. Senate on 25 January passed the bill for starting the so-called Radio Free Asia broadcast with Asia as its target.

According to a report by Voice of America, this radio station will begin broadcast by placing the focus on our country, China, Vietnam, Laos, Myanmar [Burma], and Cambodia.

The U.S. plan is to instill the sense of value on U.S.-style democracy and poisonous bourgeois ideological elements in socialist countries and independent nations in Asia in a bid to totally crush socialism and to destroy independent governments in this area, thus pursuing insidious purpose.

Therefore, the U.S. Senate's passage of the bill for starting the Radio Free Asia is brazen-faced interference in domestic affairs of the Asian countries and an intolerable crime. This is why many nations in Asia raised voices of protest and denunciation against such maneuvers by the United States.

In a weekly briefing, a Chinese Foreign Ministry spokesman stressed that the genuine purpose of passing the bill in the U.S. Senate for starting Radio Free Asia is to interfere in the domestic affairs of Asian countries and to create confusion by means of mass media.

Besides, the Vietnamese newspaper, THE PEOPLE, denounced and rejected the U.S. Senate's resolution as brazen-faced interference in the domestic affairs of the Asian countries, and a Lao Foreign Ministry spokesman said that the U.S. decision to set up a Radio Free Asia broadcasting station goes counter to cooperation, peace and development in Asia, and that the Radio Free Europe had been used as a tool for opposing the former Soviet Union and socialist countries in East Europe.

It is quite natural, therefore, that the Asian countries show strong resistance to the United States' movement to start Radio Free Asia. There are plenty reasons that many Asian countries, including China, Vietnam, and Laos, expressed their strong opposition to the U.S. Senate's step.

Radio Free Asia is another version of the former Voice of Freedom and Radio Free Europe broadcasts.

As has been widely known, the Voice of Freedom and Radio Free Europe were put into operation when the imperialists, frightened by expanded and strengthened socialist forces on a worldwide scale, declared the Cold War policy and ran amok with antisocialist maneuvers.

As for Radio Free Europe, it was inaugurated in the United States, and served as a bugler for frustrating the people's faith in socialism and for destroying socialist countries from within under the financial support of the U.S. Central Intelligence Agency.

The Voice of Freedom and Radio Free Europe broadcasts, which were operating in Munich, Germany, disseminated various slanderous and smear rumors in an attempt to create discord and social confusion in the former Soviet Union and socialist countries in East Europe, and persistently infiltrated bourgeois ideology and culture into these countries.

In this way, the United States is also maneuvering to destroy socialist countries and independent nations in Asia ideologically, culturally, and mentally. The United States regards our country as its important target. If those who are going to begin the broadcast of Radio Free Asia think that they can do something against our people with false, deceitful, and slanderous propaganda, it is indeed a foolish miscalculation. They should precisely realize this.

We have the *chuche* idea—the great guiding ideology—and our own-style unique way of life. The broadcast of Radio Free Asia may send disorderly electric waves out into space, but it can never make our people's spiritual world turbid. This is also applied to other countries in Asia. There is an Asian-style tradition which has been solidified through a long history and a sense of Asian-style culture in Asia.

The spirit of independence that the masters of Asia are the Asian people has been further enhanced among the people in many Asian countries and based on this spirit, the people are dealing with the infiltration of reactionary ideas and culture from outside with heightened vigilance.

The United States is scheming to destroy the Asian-style tradition and spoil the sense of culture with yellow propaganda. But its attempt will never be successful. Our people and all Asians will resolutely smash all maneuvers to block the fierce trend of time toward socialism and independence. The United States should immediately discard its maneuvers to begin broadcasting Radio Free Asia.

**South Regime Described as 'Civilian Warmongers'***SK1302015994 Pyongyang Radio Pyongyang in Korean to South Korea 0900 GMT 12 Feb 94*

[Dialogue between station reporters Kim Myong and Kim Sang-ul: "The Civilian Warmongers are Dashing Along the Road of War"—live or recorded]

[Text] [Kim Myong] As you know, traitor Kim Yong-sam recently revealed his true color as a civilian warmonger more clearly than before. I would like to talk about this with you.

[Kim Sang-ul] The Kim Yong-sam puppet clique recently raved that in the event the adventurous Team Spirit joint military exercise is suspended, it will stage large scale exercises of a northward nuclear war of aggression, including Ulchi-Focus Lens, in August with the United States.

THE WASHINGTON TIMES referred to remarks of the South Korean hard-liners against the North and of military experts and reported that to fill the vacuum caused by suspending the Team Spirit joint military exercise, other types of joint military exercises may be conducted by South Korea and the United States.

This single fact alone shows that traitor Kim Yong-sam is going to further intensify North-South confrontation and war maneuvers this year.

[Kim Myong] Two years ago, the United States and the South Korean puppets announced that they would suspend the Team Spirit war exercise in a bid to help North-South dialogue. However, they conducted exercises of a northward nuclear war of aggression under a different name, claiming that they should fill up the vacuum. Thus, they led the situation on the Korean peninsula to the brink of war. The people still clearly remember this.

Even before one year passed since he came to office under the veil of civilian politics, traitor Kim Yong-sam is going to stage, on a larger scale, a northward nuclear aggressive war exercise with the United States under a title other than Team Spirit. This shows that traitor Kim Yong-sam is a warmonger more vicious and vile than previous military dictators.

[Kim Sang-ul] Yes. You are right. While staging the 93-Ulchi war exercise in July last year, traitor Kim Yong-sam directed that this exercise should be conducted in the atmosphere of a real war. The puppet prime minister also stressed that the exercise should be conducted by stressing the importance of a strong sense of national security, thus instigating war hysterics.

Furthermore, hundreds of thousands of South Korean puppets and U.S. Forces in South Korea, and tens of thousands of troops from the U.S. mainland participated in the Ulchi-Focus Lens joint military exercise, which was staged for as long as 15 days last August. In addition,

a number of lethal weapons, including nuclear weapons, were mobilized in this exercise.

At that time, public opinion pointed out that this joint military exercise is another version of the Team Spirit war exercise—only in different name. This is not an accident at all.

If they conduct a large-scale South Korean-U.S. joint military exercise this year, and even add the Ulchi war exercise, people will doubt the significance of suspending Team Spirit.

[Kim Myong] You are right. Facts illustrate that the Kim Yong-sam puppet clique is a group of warmongers and national traitors, who are dashing along the road of war, going against the trend of the time, not toward peace. The facts also show that the so-called Kim Yong-sam civilian government is deceptive and that it is in actuality a more vicious and cunning bellicose regime than previous military dictatorial regimes.

As this civilian regime emerged from the root of a military fascist dictatorial regime, there cannot be any change.

[Kim Sang-ul] The whole world, not to mention fellow countrymen, unanimously wish that the North and the South on the Korean peninsula will advance toward detente and cooperation, instead of confrontation and division as seen last year. This year we are also making all sincere efforts to improve North-South relations and open a new aspect for national reunification in conformity with the desire of all fellow countrymen. Nevertheless, the Kim Yong-sam puppet clique, turning its back on our patriotic proposals and magnanimous efforts since the early stage of the year, is recklessly running amok continuously with anticommunist confrontation maneuvers by instigating the atmosphere of war. The Kim Yong-sam clique is indeed a group of rash war maniacs.

[Kim Myong] It goes without saying that the Kim Yong-sam puppet clique is a group of war maniacs. This was proven by a single fact that it increased 1994 military expenses—so-called national defense expenditures—to 10 trillion won. As shown by this, the Kim Yong-sam puppet clique increased the scale of 1994 military expenses by 9.6

from last year, thus amounting to more than 10 trillion won.

[Kim Sang-ul] I think it is the first time that the amount of South Korean military expenses has exceeded 10 trillion won. What do you think?

[Kim Myong] You are right. Even under the oppressive military dictatorship of the Chon Tu-hwan and No Tae-u military fascist clique, so-called military expenses were not increased on such a drastic scale. This again proves clearly that traitor Kim Yong-sam is a warmonger outshining former military dictators. It is not difficult to imagine how frantically traitor Kim Yong-sam will run

amok with reckless war provocation maneuvers against fellow countrymen this year by spending a greater amount of money.

[Kim Sang-ul] That is right. From the beginning of this year, the Kim Yong-sam puppet clique has been running wild with military provocation maneuvers by making violent gun powder-reeking remarks.

On 21 January, traitor Kim Yong-sam visited the puppet Defense Ministry as part of his annual inspection tour and handed out a so-called instruction. This rascal made violent bellicose remarks there, such as establishment of a new national defense policy, strengthening of quality-oriented military power, and so forth. On the other hand, the Kim Yong-sam clique staged frantic war exercises aimed at a northward invasion in South Korean areas with outside forces and constantly perpetrated grave military provocations along the demarcation line area.

[Kim Myong] The civilian regime cannot be consistent with war. The puppet regime, composed of bellicose elements who pursue war, cannot be called a civilian government. The Kim Yong-sam puppet regime is driving North-South relations into a grave aspect by aggravating confrontation and tension. As long as this regime remains intact, national interest will be infringed upon more seriously, and the whole nation will suffer nuclear disaster and will inevitably become the victim of big powers.

Stressing that nothing can be hoped for and expected from the Kim Yong-sam puppet clique, the people from all walks of life in South Korea courageously rose in an antigovernment struggle by upholding the slogan calling for the overthrow of the Kim Yong-sam regime. It is quite natural. The Kim Yong-sam puppet regime, which betrayed the nation and turned its back on the people, should be deservedly overthrown.

[Kim Sang-ul] You are right. Officers and men of the South Korean Army should not blindly follow the order of the Kim Yong-sam puppet clique, which has frantically run amok with war maneuvers since the beginning of the year. They should precisely look straight at the trend of the time and should join the fierce step of the people to achieve peace and peaceful reunification of the nation through great unity of the whole country. They should no longer be driven into such war exercises that go counter to the nation.

### **Radio Urges ROK Forces To Desert Kim Yong-sam**

*SK1402032894 Pyongyang Radio Pyongyang in Korean to South Korea 0900 GMT 13 Feb 94*

[From the "Hour for Officers and Men of the South Korean Armed Forces" program: "Which Road Must One Walk Along?"]

[Text] Officers and men of the Armed Forces: As you know, 49 years have passed since the division of our

nation. It is indeed a heartbreaking and intolerable national shame that our nation, which has lived in harmony with Tangun as the founder, sharing one blood and creating a 5,000-year history, has been suffering from national division by outside forces for a long time.

Thus, in the fifth year of this decade [referring to 1994], the whole nation is accelerating the grand march of reunification more than any other time and is upholding the banner of great national unity. The Kim Yong-sam puppets, however, who put out the signboard of a civilian government, are rushing in the opposite direction along the road of treachery and antireunification.

The rascals have viciously carried out reckless maneuvers for a northward aggressive war rupturing all North-South dialogue and have committed unforgivable serious crimes, such as trampling the North-South agreement, which was already adopted and about to come into effect. In the meantime, they are recklessly running wild to harm fellow countrymen by picking on us with the nonexistent nuclear issue with outside forces.

This year, traitor Kim Yong-sam is still walking along the road of treachery and is in the fever of the maneuver for an aggressive war. The rascals, who have conducted northward aggressive war exercises every day in various parts of South Korea since the beginning of the new year, mobilized military forces of the puppet Capital Defense Command a few days ago and conducted war exercises day and night three times in areas adjacent to Mt. Umyon in Seoul, driving residents in fear and horror by firing guns and shells at random.

Due to such maneuvers of aggressive war of the Kim Yong-sam puppets, North-South relations are being further aggravated and more and bigger obstacles are piling up on the road of reunification, which is the greatest long-cherished desire of the nation.

Facing the severe situation, officers and men of the Armed Forces should think deeply when putting their hands on their breasts. On which road are we walking? What is the road following Kim Yong-sam, the flunkyst nation-seller second to none in the world and the most vicious antireunification element, that you are still walking along?

The more you think, the more you cannot resist the shame of walking along the road of treachery following the traitor Kim Yong-sam, who trampled the nation's dearly long-cherished desire of reunification and who is running wild to harm fellow countrymen with a mouthful of blood.

All people want to spend their youth, the most precious time of life, valuably. The glory of youth ultimately lies in the devotion to the country and the nation.

Officers and men of the Armed Forces: The whole nation has come to vigorously advance along the grand march of reunification in the nineties. As young men born with the blood of the Korean nation, you should resolutely

part from the Kim Yong-sam puppets and boldly come out to actively contribute to the cause of national reunification.

At present, there is no greater devotion to the country and the people than for Koreans to sacrifice themselves for national reunification. When officers and men of the Armed Forces vigorously walk in step with the nation's strong grand march of reunification, their value of life will shine on and they will live in endless happiness even after the reunification, amid the nation's respect and love being highly appraised as the ones who contributed to the feat of reunification.

When officers and men of the Armed Forces become deeply conscious of the national duty they are entrusted with and walk along the road of devotion to the country and the people with firm unity under the banner of the great national unity, the greatest long-cherished national desire of the fatherland reunification will thereby be expedited.

#### **'Repressive Moves' of Kim Yong-sam Condemned**

*SK1202050994 Pyongyang KCNA in English 0458  
GMT 12 Feb 94*

[**"NODONG SINMUN on Traitor Kim Yong-sam's Fascist Crackdown"**—KCNA headline]

[Text] Pyongyang, February 12 (KCNA)—A NODONG SINMUN analyst today hits out at the undisguised repressive moves of the traitor Kim Yong-sam who encouraged the puppet police to a bloody crackdown on the people, insulting the righteous struggle of South Korean peasants and other people to defend the rice market, the foundation of existence for the fellow countrymen.

The traitor Kim Yong-sam showed up at the "Seoul City office" on February 7 and, talking about "the complexion of the recent demonstration", blared that "violence against police would never be tolerated" and that the "home minister" and the "police agency director" must "counter violence relentlessly".

Recalling this, the news analyst says:

How can a democratic and peaceful rally and demonstration intended to prevent the treacherous rice market opening and defend the nation's dignity and right to existence be called "violence"?

It is the "civilian" fascist group, not the innocent peasants and citizens, that became riotous in actuality. When a demonstration of peasants and citizens broke out, the traitor Kim Yong-sam branded it as an "impermissible violence" and issued a ruthless repressive order, bruising many demonstrators.

As stark facts show, the real violence is the brutal crackdown of the fascist clique which fired multiple tear gas and brandished the sword against the barehanded

peaceful demonstrators, and the chief culprit in it is the traitor Kim Yong-sam himself.

The traitor Kim, a puppet, has sold off to the United States the rice market on which he had staked his "presidency" in return for the "international cooperation system" intended to do harm to fellow countrymen. He is, indeed, a rare traitor who deserves a stern punishment by the nation for his arch crimes.

Suppression is by no means almighty. Fascist suppression will only result in digging his own grave, being an act of self-destruction.

The Kim Yong-sam group must stop cracking down on the righteous struggle of peasants and other sections of people against the rice market opening, promptly release the arrested peasants and other demonstrators and step down without delay as demanded by the South Korean people.

#### **Youth-Student Group Denounces Kim Yong-sam**

*SK1202113494 Pyongyang KCNA in English 1020  
GMT 12 Feb 94*

[Text] Pyongyang, February 12 (KCNA)—The North side headquarters of the National Alliance of Youth and Students for the Country's Reunification Friday made public a statement today condemning the South Korean puppet clique for suppressing the patriotic turnout of peasants and students against rice market opening.

The powerful massive struggle of South Korean peasants and students, largest in scale after the appearance of the "civilian government", was an explosion of the indignation and grievances against the group of Kim Yong-sam, the traitor for all ages, which is trying to extend its power by selling off the vital rights of the people and a just patriotic action for defending the dignity and interests of the nation, the statement said, and went on:

The Kim Yong-sam group of anti-national hooligans is heading for more grave crimes by resorting to a sanguinary repression against innocent peasants and students who have risen up against the treacherous opening of the rice market.

And the traitor Kim Yong-sam, in conspiracy with the United States, is going to raise all over South Korea a row of deployment of "Patriot" missiles. This is an extension of the move to open the rice market and its enlarged version.

All the facts show that, with the Kim Yong-sam puppet clique left in power, the lives of the South Korean people, let alone their vital rights, cannot be preserved and no one can vouch that the whole nation may not suffer a horrible disaster.

The traitor Kim Yong-sam must settle his crimes against the nation and face a stern judgement by history as demanded by the people.

### **Daily Calls Arrest of ROK Students 'Heinous'**

*SK1402054394 Pyongyang KCNA in English 0524  
GMT 14 Feb 94*

[Text] Pyongyang, February 14 (KCNA)—A NODONG SINMUN analyst today condemns the unending arrests of patriotic students in South Korea in the new year as a heinous challenge to the patriotic force which calls for independence, democracy and reunification.

Recalling that the Kim Yong-sam fascist clique recently arrested Kim Yong-ha who was chairman of the committee for national Reunification of the former "National Council of Student Representatives (Chon-daehyop)" and Ho Hon-chun, a fourth-year student of Chonpuk National University who was chairman of the South side's headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghaknyon) at the time of the first joint presidium meeting of Pomchonghaknyon, the news analyst says:

The students thrown behind bars by the puppet clique have done nothing guilty. It is, to all intents and purposes, a praiseworthy patriotic deed for the students in the North and the South and abroad who were born in a divided territory to exchange greetings though by correspondence and on the phone and vow to bring earlier the morning of national reunification.

The Kim Yong-sam puppet clique, however, did not cease to arrest patriotic students in the new year, too. This tells that they overshadow the preceding military fascist dictators in suppressing the people stubbornly and maliciously.

Either the independence and democratization of South Korean society or peace and Reunification of the country cannot be realized while the Kim Yong-sam puppet clique is left intact, a group of traitors who are brandishing the fascist sword against pro-reunification patriotic forces at home and are engaged in confrontation and war rackets against the fellow countrymen abroad.

The South Korean students and people who aspire after independence, democracy and reunification will certainly bring down a sledge hammer to bear upon the traitorous clique of Kim Yong-sam, a dyed-in-the-wool fascist dictator, separatist and warmaniac.

### **Chondoists Denounce Kim Yong-sam Government**

*SK1102115194 Pyongyang KCNA in English 1120  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—The central guidance committee of the Korean Chondoists Association in a statement today vehemently denounced the Kim Yong-sam group for blocking the patriotic initiative and contact of Chondoists in the North and the South to jointly celebrate the centenary of the historical Kabo Peasant War in 1894, branding its tricky move as an

unpardonable fascist outrage of the treacherous regime that claims to be "civilian", as an anti-national criminal act against independence, democracy and reunification.

The statement said the "nuclear problem" raised by the Kim Yong-sam group with the aim of blocking a contact between representatives of Chondoists in the North and the South and frustrating a joint celebration of the centenary of the Kabo Peasant War is a shameless sophism that can convince no one.

"Impermissible is any act of trampling upon the patriotic intention of the Chondoists in the North and the South, and the Kim Yong-sam puppet group which is engaged in flunkeyist treacheries and nation-splitting moves must be removed in South Korea at an early date," said the statement.

It held that the patriotic initiative of the Chondoists in the North and the South to celebrate the centennial of the 1894 Kabo Peasant War as a common festival of the nation in keeping with the expectation and hope of all the fellow countrymen must be realized under all circumstances.

It expressed the hope that the South Korean Chondoists would discard any illusion about the Kim Yong-sam puppet regime and actively turn out in the struggle to sweep away the group of traitors by the united efforts of the whole nation like the forerunners and martyrs who participated in the Kabo Peasant War, and would more vigorously fight to bring the joint celebration of the centenary of the war to a success.

### **MINJU CHOSON Denounces Ozawa's Remarks**

*SK1102113694 Pyongyang KCNA in English 1029  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—The secretary general of the new renewal party (Shinseito) of Japan, Ichiro Ozawa, spoke ill of the Democratic People's Republic of Korea in his recent Fuji TV appearance, openly revealing Japan's design of reinvasion. This comes under fire in MINJU CHOSON today.

He maliciously slandered the DPRK's political system and spun out a string of trash, contending that the DPRK "might take a military action" and Japan's "countermeasure should be examined" to cope with [word indistinct] of contingency" on the Korean peninsula, the analyst says, and goes on:

His remarks are an undisguised provocation aimed at impairing the prestige and dignity of the DPRK and stifling Korean-style socialism centred on the popular masses.

The Japanese reactionaries' nuclear armament has practically reached a danger line.

It is not without reason that Japanese scholars themselves admit "Japan is fully prepared to possess nuclear weapons."

It is clear to everybody that if Japan possessed many nuclear weapons, it would bring a grave disaster to the Korean people and other Asian people.

What Ozawa said fully shows what an extent the Japanese ruling circles' aggressive design on the DPRK has reached.

The Japanese reactionaries are desperately trying to stifle our socialist system in league with the United States and South Korea. But it is a foolish act.

They would be well advised to clearly see the situation, give up the scheme to [word indistinct] Japanese military power armed with nuclear weapons and act with discretion.

### **DPRK-Chongnyon Plastic Joint Venture Opens**

*SK1102043394 Pyongyang Korean Central  
Broadcasting Network in Korean 2200 GMT 10 Feb 94*

[Text] The Mangyongdae Plastic Joint Venture Company, established jointly by Mangyongdae Disabled Veterans Fountainpen Plant and Yonghwasong Corporation of the General Association of Koreans Residing in Japan [Chongnyon], has started its operation on the occasion of the February holiday. This company has been built on a 5,000-square meter site and is equipped with modern facilities, and all of its processing lines are automatic. It will produce and supply tens of varieties of plastic products that can contribute to the development of the country's resin industry.

A meeting to begin operating the company was held on the spot on 10 February. Kim Yong-sul, vice chairman of the General Bureau of Joint Venture Industry; other functionaries concerned; and employees of the company were present at the meeting.

Yang Sok-hwa, president of Yonghwasong Corporation of Chongnyon, who is staying in the socialist fatherland; and members of a Chongnyon delegation also participated in the meeting.

Kim Chun-ho, vice president of Mangyongdae Plastic Joint Venture Company; and Yang Sok-hwa, president of Yonghwasong Corporation, spoke at the meeting.

The speakers mentioned that Mangyongdae Plastic Joint Venture Company began its operation thanks to the dear leader Comrade Kim Chong-il's great love and consideration. They said that ardent patriotism and devoted efforts of the fatherland's people and many functionaries and patriotic businessmen of Chongnyon are hidden behind the result that we are capable of mass-producing plastics today.

The speakers pointed out that the great leader presented in his New Year's address the programmatic task to operate all light industrial plants at full capacity and maintain a high and steady rate of production by taking

active measures to strengthen the production of light industrial materials, such as chemical textiles and plastics.

They stressed that hundreds of tonnes of plastics should be produced this year and the varieties and quality of plastic products should be increased in the future by scrupulously operating and managing the company, upholding the militant slogan, "Let us vigorously accelerate the general onward march of socialism with the revolutionary spirit of self-reliance and fortitude," so that they can actively contribute to the development of light industries. The participants of the meeting looked at the company's processing lines and products.

A banquet marking the start of operation of the company was arranged on that day.

### **KCNA on Joint Venture Firm**

*SK1102114494 Pyongyang KCNA in English 1049  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—A Mangyongdae plastic joint-venture firm run by the Mangyongdae Disabled Soldiers Fountain-Pen Factory and the Sakae Corp. under the General Association of Korean Residents in Japan (Chongnyon) went into operation on the occasion of the February holiday.

The modernly equipped firm with a plottage of 5,000 square metres and all production processes streamlined will produce several dozen kinds of synthetic resin goods conducive to the development of the plastic industry of the country.

Its commissioning ceremony took place on the spot Thursday.

It was attended by deputy director of the general bureau of joint venture industry Kim Yong-sol and other officials concerned and employees of the firm.

On hand were Yang Sok-ha, director of the Chongnyon Sakae Corp., and members of Chongnyon delegations staying in the socialist homeland.

Kim Chun-ho, vice-director of the Mangyongdae plastic joint-venture firm, and director Yang Sok-ha addressed the commissioning ceremony.

### **Kim Chong-il's Birthday Celebrated Abroad**

*SK1102114694 Pyongyang KCNA in English 1105  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—Functions are being held in different countries on the occasion of the birthday of the dear leader Comrade Kim Chong-il. A celebration meeting was held in Moscow on February 8 under the sponsorship of the the Russian Association for Friendship and Cultural Cooperation With the DPRK.

Vladimir Tolstikov, chairman of the Central Council of the Russian Association for Friendship and Cultural

Cooperation With the DPRK, in his speech said the birthday of Comrade Kim Chong-il, the respected leader of the Korean people, is a common holiday of mankind significantly celebrated not only by the Korean people but also by the world people.

Aleksandr Kapto, doctor of philosophy of the Social and Political Affairs Institute of the Academy of Sciences of Russia, in his speech said:

"The reality of Korea today is a result of the wise guidance of the DPRK's leadership.

"In Korea the people are leading a politically stable and economically affluent life under the wise guidance of Comrade Kim Chong-il."

A war veteran, Vice Admiral Vitaliy Popov, said Comrade Kim Chong-il has an outstanding leadership and organizing ability, and all things are going well in Korea under his guidance.

The 2nd International Korean Art Festival was held with splendor in Tashkent, Uzbekistan.

Participating in the festival were more than 450 artistes from 26 organisations in Russia, Kazakhstan and Kyrgyzstan.

Put on the stage were art works of a high ideological and artistic level showing the greatness, wise leadership, immortal exploits and noble virtues of Comrade Kim Chong-il.

A meeting for adopting a message of greetings and a ceremony for presenting a gift to Comrade Kim Chong-il took place at the "peace and today" committee in Russia, and a ceremony for presenting a gift to him and a celebration performance at "EMT" tractor factory in Belgrade, Yugoslavia.

"A sports and cultural function celebrating the 52nd birthday of his excellency Kim Chong-il" was held in India under the auspices of the Asian regional institute of the chuche idea.

#### **Radio Reports Celebration in Nigeria**

SK1202100394

[Editorial Report] Pyongyang Korean Central Broadcasting Network in Korean at 1200 GMT on 8 February carries a four-minute report on the Nigeria-DPRK Friendship Association and the Nigerian Committee Supporting Korea's Peaceful Reunification jointly hosting a festive gathering on 3 February in Lagos on the occasion of Kim Chong-il's birthday. Friendship and solidarity organizations with Korean people; functionaries of the chuche idea study group; students and professors of universities; (Yemi Oyene), chairman of the Nigeria-DPRK Friendship Association; and (J.O. Adulod), chairman of the Nigerian Committee Supporting Korea's Peaceful Reunification, were on hand. The DPRK ambassador to Nigeria and functionaries of the DPRK Embassy were also invited. Chairman (Yemi

Oyene) gave a report congratulating Kim Chong-il's birthday and a congratulatory message to Kim Chong-il was adopted by the participants. A festive gathering was also held at the (Dani) Prefecture in Togo on 1 February on the occasion of the February holiday. Some 1,000 people including the head of the prefecture, political adviser to the prime minister, functionaries of the prefecture, and people from this region were present. The DPRK ambassador to Togo and functionaries of the DPRK Embassy were also invited. Speeches were made and a congratulatory message to Kim Chong-il was adopted by the participants of the gathering.

#### **Papers Mark 15th Anniversary of Iran Revolution**

SK1102113294 *Pyongyang KCNA in English 1019*  
GMT 11 Feb 94

[Text] Pyongyang, February 11 (KCNA)—Papers here today dedicate editorial articles to the 15th anniversary of the victory of the Islamic revolution in Iran.

NODONG SINMUN says that the downfall of the dictatorial regime and the victory of the revolution in Iran proved again the historical truth that reactionaries repressing the independence of the popular masses are doomed to downfall and the victory of the just cause of the popular masses is inevitable.

Noting that after the victory of the revolution the Iranian people have advanced along the road chosen by them, overcoming the manifold difficulties and trials, the paper says:

The Islamic Republic of Iran is pursuing independent foreign policy. The Iranian people are opposed to all sorts of domination and submission and are developing the friendly and cooperative relations with different countries of the world. They are striving to ensure peace and security in the Persian Gulf.

The Korean people extend full support and solidarity for the struggle of the Iranian people to accelerate economic reconstruction and improve the looks of the country.

The bonds of friendship and cooperative relations between Korea and Iran are continuously strengthening and developing. The development of these excellent relations is beneficial to the building of a new society in the two countries and conducive to promoting friendship and solidarity of the Asian people and regional development.

Korea-Iran friendship will continue to consolidate and develop as in the past.

The Korean people wish the Iranian people greater success in their work to build an independent and prosperous new Iran, MINJU CHOSON says.

**Iranian Embassy Marks Anniversary**

*SK1202045594 Pyongyang KCNA in English 0440  
GMT 12 Feb 94*

[Text] Pyongyang, February 12 (KCNA)—The charge d'affaires ad interim of the Iranian Embassy here, Seyyed Lashgari [name as received], hosted a reception Friday on the occasion of the 15th anniversary of the victory of the Islamic revolution in Iran.

Invited there were Vice-Premier Choe Yong-nim, officials concerned and diplomatic envoys of various countries in Korea.

In his speech at the reception, Seyyed Lashgari elaborated on the relations of Iran with the DPRK and said that the Korean visit of His Excellency Khamene'i, leader of the Islamic revolution, was a turning point in the relations between the two countries. "The Islamic Republic of Iran hails and appreciates the efforts made by the militant and staunch Korean people for the progress and development of economy, technology and culture under the wise leadership of His Excellency Kim Il-song," the charge d'affaires ad interim said.

He expressed the hope that Korea's independent and peaceful reunification would be realized at the will of the people.

Speaking next, Chong Ha-chol, chairman of the Radio and TV Broadcasting Committee of the DPRK and chairman of the Korea-Iran Friendship Association, noted that the Iranian people, under the leadership of His Excellency Khamene'i, their esteemed leader, and His Excellency Rafsanjani, their president, are now registering big achievements in their endeavours to win a durable peace and stability in the Persian Gulf region and fulfil the first five-year plan.

"We are rejoiced over those achievements as over our own and wish the Iranian people greater success in their efforts to rebuild the country and build a prosperous new society," he added.

He said the Korean people would value their friendly relations with the Iranian people in the future, too, and make every possible effort to further consolidate and develop them.

**'Talk' Notes Revolution Anniversary**

*SK1202072094 Pyongyang Korean Central  
Broadcasting Network in Korean 0954 GMT 11 Feb 94*

[Unattributed talk: "15 Years for Struggle and Advance"]

[Text] The 15th anniversary of the victory of the Islamic revolution in Iran will be marked on 11 February. On 11 February 1979, the Iranian people, who desired a new life, rose up in all out resistance against monarchism and overturned the dictatorial emperor regime. This was a momentous event in the history of the Iranian people.

Iran is situated between the Persian Gulf and the Caspian sea on the Asian continent. The victory of the revolution in Iran ended the monarchical politics that had imposed feudal oppression upon the people, thus laying a foundation for constructing an independent new society.

The great leader Comrade Kim Il-song has declared: Since the victory of the revolution, the Iranian people have bravely overcome various difficulties and tribulations, consolidated the achievements of the Islamic revolution, actively struggled to defend peace and security in the Persian Gulf area.

The 15 years that the Iranian people have traversed since the victory of the revolution have been years of struggle to brave all difficulties and tribulations, defend the achievements of the revolution, and promote the independent development of the country.

During this period, the Iranian people have effected a success in bravely smashing the moves of intervention and destruction by the imperialists and reactionaries, removing the old remnants of the monarchical era, and struggling for social progress and development.

Today, the Iranian people have put great efforts into achieving national political stability and economic self-reliance. They have paid deep attention to developing industrial development.

A large amount of underground resources, including crude oil, natural gas, ores, coal, and chrome, is buried in this country. Extraction of crude oil has been the base of the Iranian economy. Natural gas and crude oil account for approximately 80 percent of this country's income and approximately 90 percent of the acquisition of foreign currency.

In addition, Iran has put efforts to develop light industry, including the textile and foodstuff industries. Wheat farming is a major agricultural crop in Iran. Iran grows barley, rice, millet, and cotton.

The Iranian Government has externally participated in the nonaligned movement and has maintained the principle for nonintervention in internal affairs. The Iranian Government has developed relations with other countries based on the principle of mutual respect in international relations.

Our people have rejoiced over the Iranian people's success in the construction of a new society—like our own success. Korea and Iran are Asian countries together and members of the nonaligned movement.

The friendly relations between our people and the Iranian people have been favorably and have been developing daily. Visits by each country's delegations have been frequent and cooperation and exchanges have been developing in various fields.

The Iranian people have highly appraised the success that our people, upholding the great leader, have effected

in socialist construction under the wise leadership of the dear leader Comrade Kim Chong-il. The Iranian people have positively supported the peace-loving proposals and lines of our party and the Republic Government for the independent and peaceful reunification of the country.

Developing friendly relations between our two countries is beneficial to the interests of the two countries' people, a new Asian construction, and strengthening and developing the nonaligned movement.

As in the past, our people will value the friendly and cooperative relations with the Iranian people for the sake of independence, peace, and friendship and will actively make efforts to strengthen and develop cooperative relations.

Our people hope that the Iranian people will achieve greater success in the work to construct an independent and an advanced Iran.

#### **Premier Kang Song-san Greet Libyan Official**

*SK1102013694 Pyongyang KCNA in English 1502  
GMT 10 Feb 94*

[Text] Pyongyang, February 10 (KCNA)—Premier of the Administration Council Kang Song-san sent a message of greetings to 'Abd-al-Majid al-Mabruk al-Qu'ud upon his election as secretary of the General People's Committee of the Great Socialist People's Libyan Arab Jamahiriya.

Expressing the belief that the excellent relations of friendship and cooperation forged between the two countries in the common struggle against imperialism and for independence would further expand and develop, the message wished him big success in his work for the prosperity of the country.

#### **SPA Chairman Sends Greetings to Libyan Official**

*SK1102044594 Pyongyang KCNA in English 0405  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—Yang Hyong-sop, chairman of the Supreme People's Assembly (SPA), sent a message of greetings to Al-Zinati M. al-Zunati upon his reelection as secretary of the general People's Congress of the great Socialist People's Libyan Arab Jamahiriya.

The message expresses the belief that the friendly and cooperative relations between the supreme legislative bodies of the two countries will continue to develop on good terms and wishes him success in his responsible work.

#### **Foreign Minister Greet Venezuelan Counterpart**

*SK1102013994 Pyongyang KCNA in English 1503  
GMT 10 Feb 94*

[Text] Pyongyang, February 10 (KCNA)—Foreign Minister Kim Yong-nam sent a message of greetings to Miguel Angel Burelli Rivas upon his appointment as foreign minister of the Republic of Venezuela.

Expressing the belief that the friendly relations between the two countries would continue developing favourably, the message wished him success at his new post.

#### **Meeting Marks Anniversary of Nepal Statement**

*SK1102113494 Pyongyang KCNA in English 1025  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—A meeting was held in Nepal on January 31 on the occasion of the first anniversary of the publication of a joint statement of the Workers' Party of Korea and the Nepal Worker-Peasant Party. Prem Suwal, secretary of the Nepal Worker-Peasant Party, said in his report at the meeting that the two parties have since the publication of the joint statement intensified their joint struggle against imperialism and revisionism, firmly maintaining the socialist line in keeping with the common idea and principle and tightened the bonds of comradesly and militant unity and cooperation in this struggle.

He went on:

"The Nepal Worker-Peasant Party and the Workers' Party of Korea agreed on the joint statement in order that they keep to the socialist line under the banner of independence against imperialism.

"Now the imperialist reactionaries are resorting to heavier pressure and threat, getting noisier in their anti-socialist and anti-DPRK campaign. But the Korean people firmly armed with the chuche idea are tightly adhering to the socialist line, not wavering in face of all moves of the enemies, with the leader, the party and the masses closely united in one mind. This is entirely just.

"The great leader President Kim Il-song in his New Year address indicated the fundamental principles and ways of the solution of the nuclear problem on the Korean peninsula. He warned that pressure and threat would not lead to a solution of the problem but bring a catastrophe, and called for defending the sovereignty of the country more firmly and meeting all the challenges of the enemies resolutely.

"The Democratic People's Republic of Korea is unswervingly advancing under the banner of socialism, defying ever more undisguised moves of the imperialist forces to isolate and stifle it. The secret to its might lies in its firm adherence to independence."

**DPRK, Foreign Officials Exchange Messages***SK1102115494*

[Editorial Report] Pyongyang Korean Central Broadcasting Network in Korean on 7 and 9 February reports on messages and meetings between DPRK and foreign officials and figures.

At 1300 GMT on 7 February, Pyongyang radio reports that comrade Kang Song-san, premier of the State Administration Council, received a reply from Moroccan Prime Minister Mohamed Karim Lambrani on his congratulatory message on the latter's reappointment.

At 2200 GMT on 7 February, Pyongyang radio reports that the Workers Party of Korea Central Committee received a solidarity message from the National Council of the Indian Communist Party in support of the great leader Comrade Kim Il-song's New Year's address.

At 2300 GMT on 7 February, Pyongyang radio reports that a friendship meeting was held at the DPRK embassy in Equatorial Guinea on 31 January to mark the 25th anniversary of the establishment of diplomatic relations between the DPRK and Equatorial Guinea.

At 1500 GMT on 9 February, Pyongyang radio reports that the chairwoman of the Communist Party of Denmark received DPRK Ambassador to Denmark Kim Chae-pong on 4 February.

**Foreign Party Leaders Support 'Cause of Justice'***SK1202005994 Pyongyang KCNA in English 2228  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—Foreign party leaders voiced support to the Korean people's cause of justice.

General Secretary of the People's Unity Party of Tunisia Mohamed Bel Hadj Amor said when he received the Korean ambassador to his country on February 4 that he fully supported the proposal of achieving the reunification of Korea through a confederacy according to the three principles of national reunification advanced by the great leader Comrade Kim Il-song.

He expressed full support and solidarity for the January 31 statement of the DPRK Foreign Ministry spokesman, saying it is a very important and just step for defending the sovereignty of Korea and the interests of the third world countries.

He denounced the United States for increasing the tensions on the Korean peninsula and stressed that the Korean people's struggle which enjoys support of the world people would surely be crowned with victory.

Betty Frydensbjerg Carlsson, chairperson of the Communist Party of Denmark, met with the Korean ambassador to her country on February 4 and said the United States is leading the situation to the brink of war in crude

violation of the points agreed upon between the DPRK and the United States, but it cannot subdue the Korean people who are fighting for their cause of justice.

The Communist Party of Denmark fully supports the Korean people in their struggle in defence of sovereignty and socialism, she said.

She added that the January 31 statement of the DPRK Foreign Ministry spokesman regarding the prevailing situation was an extremely just step.

**Foreign Media Publish Kim Il-song 1994 Speech***SK1202044394 Pyongyang KCNA in English 0430  
GMT 12 Feb 94*

[Text] Pyongyang, February 12 (KCNA)—Foreign media gave publicity to the New Year address of the great leader President Kim Il-song.

The January issues of the Pakistani magazine ROAD and the Indian magazine RASHTRIYA VISHAS printed portraits of President Kim Il-song and carried the full text and detailed gist of the New Year address.

The gist of the New Year address was also carried by the Nigerian papers OBSERVER and VANGUARD, the Cambodian paper PEOPLE and the January No. 3 issue of Solidarity Information of the Spanish Committee of the African and Latin American People's Solidarity Organization.

The January issue of the U.S. newspaper ARM THE MASSES, the Syrian paper NIDA AL-CHA'AB and the Equatorial Guinean radio and television reported the part of the New Year address dealing with the question of national reunification.

**Kim Il-song Quoted on Son's 'Leadership Ability'***SK1302092294 Pyongyang KCNA in English 0836  
GMT 13 Feb 94*

["Great Exploits Performed by WPK in Carrying Cause of Chuche Through to Accomplishment"—KCNA headline]

[Text] Pyongyang, February 13 (KCNA)—NODONG SINMUN in a by-lined article today stresses that dear Comrade Kim Chong-il is an illustrious leader who has performed immortal feats for the times and the revolution, for the country and the people in the course of carrying the cause of socialism through to accomplishment.

It quotes the great leader Comrade Kim Il-song as saying:

"Comrade Kim Chong-il enjoys respect and love of the people and has high authority as a people's leader for his leadership ability and traits, for his loyalty and devotion and for the exploits he has performed."

The article says:

The greatness of exploits performed by the dear leader Comrade Kim Chong-il for the times and the revolution, for the country and the people lies in that they are a revolutionary wealth crystallizing his steadfast determination and will to carry the revolutionary cause of *chuche* through to accomplishment and that he has performed them with the people and entirely for their sake, containing immensely profound and rich content.

The dear leader has oriented all his thinking and activities to the work of firmly defending and exalting the revolutionary exploits of the great leader Comrade Kim Il-song. It is the inexorable principle of the dear leader to work out a strategy and tactics on the basis of the great *chuche* idea, to establish a work method and style after the great leader's method and style of work and lead the economic construction according to the plan and intention of the great leader.

The feats performed by the dear leader are unprecedented in the history of any great persons in the East and the West for all ages in their scope and influence on all domains of the revolution and construction. The footmarks of energetic leadership of the dear leader are imprinted on any field and domain of the revolution and construction in our country.

What profound, many-sided and rich content his revolutionary activities and feats contain is eloquently proved by the works he has published.

A large number of immortal, monumental works published by him in the course of triumphantly leading the revolution and construction give comprehensive answers to all the theoretical questions in the revolutionary practice of our era, including the questions of building the party and the state, the question of economic and cultural construction and the question of building Armed Forces.

The course of his revolutionary activities is a brilliant chronicle of a genuine people's leader who takes infinite pleasure in the people's happiness. In the process of shaping a history of popular politics and leadership with his noblest virtues, he has built the party into a mother party, made the power serve the people and built and developed the economy and culture, too, to suit the demands and interests of the masses.

The greatness of the exploits performed by Comrade Kim Chong-il for the times and the revolution, for the country and the people also lies in that they are assets of eternal value which would display their everlasting vitality not only for the present but in the distant future.

When setting forth once idea and theory and shaping a line and policies, he looks ahead to the distant future and unfolds a grand blueprint to completely realize the independence of the working masses.

Indeed, the feats performed by the dear leader in the course of carrying the revolutionary cause of *chuche* through to accomplishment are great ones which could

be performed only by an extraordinary thinker and theoretician, politician and outstanding military strategist intensely loyal to the cause of socialism and the people, a genuine people's leader with noble virtues.

The article stresses:

For the whole party, all the people and the Army to uphold the party's leadership, united in one mind, is a decisive guarantee of firmly defending the immortal leadership exploits of Comrade Kim Chong-il and glorifying them for ever.

It is the greatest of exploits performed by the dear leader for our country and revolution that he has turned the whole party, all the people and the army into the strong motive force of revolution firmly united in one mind and will.

With this great singlehearted unity, our people have strong guts and have nothing to be afraid of.

### **Inheritance of Leadership Ability Stressed**

SK1302073094 Pyongyang Korean Central  
Broadcasting Network in Korean 0200 GMT 12 Feb 94

[Unattributed talk: "Upholding The Great Leader Is a Decisive Guarantee for Inheriting and Completing the Socialist Cause]

[Text] Today our revolution is vigorously advancing along the single road of *chuche*. Even now, after a long time has passed since our revolution was pioneered, our revolution constantly and victoriously advances. This is because the issue of inheriting the leadership has been brilliantly resolved and because we have upheld the great leader [yongdoja] as the head of party and the revolution.

The great leader Comrade Kim Il-song has taught: The issue of inheriting the leadership has already been brilliantly resolved in our country, because Comrade Kim Chong-il has wisely led the overall work of the party, state, and Army for a long time.

The way to inherit the generation of revolution is an important matter related to the destiny of the revolutionary cause of the working class—the socialist cause. The socialist cause is an historic cause that can be carried out generation after generation. Therefore, the working class party and people must firmly inherit the generation of revolution to achieve the socialist cause.

The fundamental question in inheriting the generation of revolution is to firmly guarantee the inheritance of leadership. The prospect of the revolutionary cause of the working class—the socialist cause—depends on how to inherit the leadership of the leader [suryong].

The leader [suryong] occupies an absolute position and plays a decisive role in the revolutionary struggle of the working class. As the leader [yongdoja] plays a decisive role in the struggle for independence, he also plays a decisive role in the revolutionary struggle—the struggle

to adhere to independence and to completely achieve it—which has continued generation after generation.

To consummate the revolutionary cause pioneered by the leader [suryong] and to firmly inherit the generation of revolution, therefore, we must brilliantly resolve the issue of inheriting the leadership.

The historical lesson of the recent collapse of socialism in some countries shows that correctly resolving the issue of inheriting the leadership is a fundamental question in endlessly consummating the revolution generation after generation and that the success of the revolution depends on it.

In the revolutionary cause of the working class, the issue of inheriting the leadership is, in essence, a matter of inheriting the position and role of the political leader [chongchijok suryong], who pioneered the road of revolution. As the revolution guides the historical inheritance, the leadership-oriented position and role of the leader [suryong] must be inherited without change.

The working class party and people must uphold the people's leader [chidoja], who is endlessly loyal to the party, the revolution, the fatherland, and the people, and who has a noble character and capacity to satisfactorily carry out political leadership throughout society. For the people who struggle to inherit and consummate the socialist cause, there is no other greater luck than to uphold and follow the leadership of the leader [yongdoja], who is absolutely trusted by the popular masses because of his immortal achievements based on his brilliant wisdom, outstanding leadership ability, and noble virtues.

Today the issue of inheriting the leadership has been brilliantly resolved in our country. This is because we firmly uphold the dear leader Comrade Kim Chong-il as the supreme head of the party and the revolution.

The dear leader Comrade Kim Chong-il is the outstanding thinker and theoretician, the great politician, and military strategist, as well as the people's true leader [chamdaun yongdoja] who is boundlessly loyal to the party, the revolution, the fatherland, and the people. Our people are now overflowing with a boundless national dignity and pride of carrying out the revolution under the leadership of the dear comrade leader, thus having confidence in the final victory of the chuche cause by the leadership of the leader [suryong], who is brilliantly inheriting and consummating the chuche revolutionary cause generation after generation, thus upholding the high intent of the great comrade leader [suryong].

The dear comrade leader's leadership traits are truly very prominent. These traits include boundless loyalty to the party and the revolutionary cause, a spirit of devoted service to the fatherland and the people, unparalleled courage and will, extraordinary organizational ability, and leadership ability.

Today the dear comrade leader is absolutely trusted by the people because he has gained immortal achievements in the revolution and construction with his best qualities and characters as the true leader of the people.

The dear comrade leader has strengthened and developed our party and the revolutionary ranks into the invincible ranks of single-hearted unity and opened a great golden age in all fields of the socialist construction, including politics, economy, and culture. With his energetic, ideological, and theoretical activities and his practical struggle, he has also gained achievements which will shine in the world for the fatherland, the people, and the revolution without sleep or rest.

Under the experienced and tested leadership of the dear comrade leader, our revolution is firmly and constantly advancing along the road of the chuche idea pioneered by the great leader [suryong]. Today the issue of inheriting the leadership has been brilliantly resolved and the generation of revolution has also been firmly succeeded in our country. This is because we have firmly established the leadership system that can successfully achieve the dear comrade leader's leadership.

To endlessly inherit and consummate the revolution, the leadership system that can achieve the dear comrade leader's leadership must be thoroughly established along with the upholding of the great leader [yongdoja].

Today the system that can achieve the dear comrade leader's leadership has been firmly established in our country. As a result, the revolution and construction are being successfully carried out as demanded and intended by the great leader [suryong]. Because of the thorough establishment of the party's leadership system, today the ideology and intent of the leader [yongdoja] have been timely conveyed and penetrated into the entire party and the whole society; an iron-like discipline in which the entire party, the whole country, and all people move as one by firmly uniting around the leader [yongdoja] has been established; and the revolution and construction have been vigorously accelerated under the monolithic leadership of the leader [yongdoja].

The entire party, the whole country, and all people will breath and act as demanded by the ideology and will of their leader [yongdoja], no matter where and what they work. If it is the intent of the party and the leader, they will even move mountains and fill up the sea with earth. This faith of loyalty and the spirit of the single-hearted unity are firmly being filled throughout a society.

This firmly proves that our revolution will firmly maintain its life in the future, too, along the road of the chuche idea under the leadership of the dear comrade leader, and that it can be inherited and consummated generation after generation. The proud history of our revolution and today's reality tells us the noble truth that for the working class party and people to firmly inherit the generation of revolution, they must uphold the people's true leader, who can brilliantly inherit and

consummate the revolutionary cause pioneered by the leader [suryong], and thoroughly establish his leadership system.

Because the dear comrade leader is leading our party and the revolution, the generation of our revolution has been strongly inherited and the victory in the chuche cause has been firmly guaranteed. Because of his leadership, our revolution is vigorously advancing forever along the single road of chuche pioneered by the great leader [suryong]. Also, the victory and glory will be laid in the future road of socialism of our own style. This spirit is a firm faith, as well as the will of our people who have cherished it deep in their hearts. Firmly inheriting the generation of revolution by upholding the great leader [yongdoja] is the great dignity, pride, and luck of our party and people.

All party members and working people must vigorously struggle to consummate the chuche revolutionary cause, the socialist and communist cause, by cherishing boundless national dignity and revolutionary pride.

#### **Kim Chong-il Sends Thanks to Work Units, Troops**

*SK1202113194 Pyongyang KCNA in English 1008  
GMT 12 Feb 94*

[Text] Pyongyang, February 12 (KCNA)—The dear leader Comrade Kim Chong-il extended thanks to Pyongyang Department Store No.1, the Pyongyang Municipal Changgwang Service Administration and to the farm where Kim Yun-mo works which had done a good job for the society and collective.

He also extended thanks in the name of the Party Central Military Commission and supreme commander to An Won-taek, a political organizer of the Pak Chong-sun's unit of the Korean People's Army [KPA] who had looked after bereaved families of KPA fallen fighters with all sincerity for years.

At a thanks-conveying meeting, An Won-taek said it is another manifestation of his political trust in and solicitude for his revolutionary soldiers that comrade supreme commander of the Korean People's Army extended thanks to a political organizer of a People's Army unit who did what he should do. "Our People's Army and people guided by the illustrious leader are one in body and spirit," he added.

#### **Symposium Discusses 'Greatness' of Kim Chong-il**

*SK1202113694 Pyongyang KCNA in English 1011  
GMT 12 Feb 94*

[Text] Pyongyang, February 12 (KCNA)—A symposium of officials of the Korean Democratic Women's Union on the greatness of the dear leader Comrade Kim Chong-il was held in Pyongyang Friday to mark the February holiday.

The speakers said the dear leader Comrade Kim Chong-il formulated the revolutionary idea of the great leader President Kim Il-song as an integral system of ideology, theory and method of chuche and proclaimed the modelling of the whole society on the chuche idea as the supreme programme of the Workers' Party of Korea and is developing and enriching the chuche idea with new principles and contents.

They praised the dear leader as an illustrious leader and a genius of creation and construction who has opened a new era of changes of the century and prosperity in this land by leading the revolution and construction to victory with rare organizing ability and revolutionary sweep and made the Korean people the most proud and happiest people in the world.

The speakers said the dear leader, who personifies the traits of a people's leader on the highest level, always shapes politics of love and trust in the people by fully embodying the great leader's idea "believe in the people as in heaven".

#### **Postage Stamp Issued With Kim Chong-il's Image**

*SK1102050394 Pyongyang KCNA in English 0428  
GMT 11 Feb 94*

[Text] Pyongyang, February 11 (KCNA)—The Ministry of Post and Telecommunications issued memorial postage stamps and envelopes on the occasion of the 20th anniversary of the proclamation of the program of modelling the whole of society on the chuche idea.

One stamp carries an image of the dear leader Comrade Kim Chong-il, an outstanding thinker and theoretician of the present times and genius of revolution and construction. The stamp portrays the dear leader proclaiming the program of imbuing the whole society with the chuche idea, a great program of the building of socialism and communism, amid the enthusiastic applause of the participants of the national training course of party propagandists.

Among them there are a stamp depicting working people of all strata dynamically advancing under the uplifted banner of singlehearted unity in hearty response to the call of the party and an envelope carrying the words "20th anniversary of the proclamation of the program of modelling the whole society on the chuche idea" on a red flag.

#### **Ministries Hold Symposiums on Chuche Anniversary**

*SK1202045994 Pyongyang KCNA in English 0447  
GMT 12 Feb 94*

[Text] Pyongyang, February 12 (KCNA)—Symposiums were held at the Ministry of People's Armed Forces and the Ministry of Public Security to mark the 20th anniversary of the proclamation of the programme of modelling the whole society on the chuche idea.

Speakers at the symposium held at the Ministry of People's Armed Forces said that the policy of modelling the whole Army on the *chuche* idea which Comrade Kim Chong-il, supreme commander of the Korean People's Army, put forward by applying the programme of modelling the whole society on the *chuche* idea to Army building is a programme of Army building, the first of its kind in the history of the building of the revolutionary Armed Forces of the working class, and a great programme which makes it possible to successfully accomplish through generations the *chuche* cause of Army building pioneered by the respected leader Comrade Kim Il-song.

Noting that the programme of modelling the whole Army on the *chuche* idea is an immortal militant banner that must be constantly upheld by our People's Army, they said this is because the programme clearly indicates the general aim of building the revolutionary Armed Forces of the working class, the aim of imbuing the revolutionary Army with the revolutionary idea of the leader, and thus makes it possible to build up the People's Army into the Army of the leader and the Army of the party, both nominally and virtually, and the revolutionary Army flawless in its political and military appearance.

The speakers at the symposium held at the Ministry of Public Security said that Comrade Kim Chong-il has built up the public security organ into loyal ranks imbued with the *chuche* idea and singleheartedly united around the party and the leader, into invincible ranks with spiritual and moral traits and qualities as political defenders of the party by successfully applying the policy of modelling the whole Army on the *chuche* idea to public security.

The vitality of this great feat performed by the dear leader is clearly proved in the fact that the public security organ is smashing all manoeuvres of the enemy at every step and reliably defending the security of the party, the state and the people in the practice of the class struggle in our country, under the rapidly changing world situation today, the speakers noted.

#### **New Chairmen of Scientific Institutions Appointed**

*SK1102234294 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 11 Feb 94*

[Text] The DPRK Central People's Committee [CPC] issued decrees dismissing [haeim] and appointing the chairman of the DPRK Academy of Sciences and the chairman of the State Science and Technology Committee:

The DPRK CPC has made a decision as follows:

1. The DPRK CPC has dismissed Comrade Kim Kyong-pong as chairman of the Academy of Sciences and appointed Comrade Kim Kil-yon as his replacement.

2. The DPRK CPC has dismissed Comrade Yi Cha-pang as chairman of the State Science and Technology Committee and appointed Comrade Chae Hui-chong as his replacement.

[Signed] DPRK President Kim Il-song

[Dated] 9 February 1994

### **South Korea**

#### **Reportage on Foreign Minister's Visit to U.S.**

##### **Confers With Gore, Lake**

*SK1102032494 Seoul YONHAP in English 0310 GMT 11 Feb 94*

[Text] Washington, Feb. 10 (YONHAP)—South Korea and the United States have agreed to carry on efforts to resolve the North Korean nuclear issue through dialogue, South Korean Foreign Minister Han Sung-chu said in Washington on Thursday. "Our two countries decided to exert all available efforts to settle the nuclear question through dialogue until the regular Board of Governors' meeting of the International Atomic Energy Agency (IAEA) opens (on Feb. 21)," Han said.

He made the remarks to reporters at the Watergate Hotel following talks with U.S. Vice President Al Gore and National Security Adviser Anthony Lake at the White House.

"It is true there are some hard-line voices in the United States with respect to the nuclear question," said Han. "But, the United States' official policy direction now is to carry on with dialogue."

The two countries, Han said, also shared views on the importance of maintaining peace on the Korean peninsula, even though the peninsula is not in a state of crisis now.

Discussing recent efforts by the five permanent members of the U.N. Security Council to adopt a statement on North Korea, Minister Han said dialogue was discussed as part of its policy on the North Korean nuclear question. "The five countries can pool their opinions for conveyance to North Korea," he said.

Han said that if the nuclear question were referred to the U.N. Security Council, it would choose one of two available options. The first is to begin with a resolution on North Korea, followed by weak sanctions initially and stronger steps later. The second is to impose sanctions from the start after a certain period of time passes.

Regarding China's future role, Han said its behavior at the Security Council depends on how far "we have striven to resolve the question peacefully."

"Substantial achievements have been made between Seoul and Beijing through direct discussions and cooperation. I believe China will continue to try to settle the question peacefully in what they think is the best manner," the minister said.

On the possibility of the United States and North Korea resuming contacts in New York, Han said there are no plans to do so at the moment. He was quick to add, however, that "we think it is better to have an exchange of opinions in whatever form."

Minister Han is scheduled to meet with Secretary of State Warren Christopher and Defense Secretary William Perry on Friday afternoon to discuss the nuclear question. The talks will be preceded by an earlier meeting between Han and Assistant Secretary of State Robert Gallucci, Deputy Assistant Secretary of State Tom Hubbard and several other senior State Department officials.

#### More Talks Planned on Nuclear Issue

SK1202023094 Seoul YONHAP in English 0208 GMT  
12 Feb 94

[Text] Washington, Feb. 11 (YONHAP)—South Korea and the United States agreed Friday that they will continue efforts to resolve the North Korean nuclear issue through dialogue before referring it to the U.N. Security Council. The agreement came during a meeting between South Korean Foreign Minister Han Sung-chu and U.S. Secretary of State Warren Christopher at the State Department on Friday afternoon.

At the hour-long meeting, Han and Christopher shared the opinion that Pyongyang and the International Atomic Energy Agency could still make progress in negotiations on IAEA inspection of North Korean nuclear facilities, according to Chang Chae-yong, director-general of the Foreign Ministry's American affairs Bureau.

In addition, Han and Christopher agreed that even if the North Korean issue was referred to the Security Council, U.N. action against Pyongyang should be taken in stages rather than through immediate sanctions.

They reportedly decided to introduce mild measures at first, such as passing a resolution urging North Korea to accept IAEA inspections, before gradually turning up the heat, Foreign Ministry sources said.

Han also handed Christopher a personal letter from President Kim Yong-sam to U.S. President Bill Clinton.

In the letter, President Kim reaffirmed the agreements he and Clinton reached at their summit in Washington last November and in a telephone conversation on Dec. 7, in which they vowed to pursue "thorough and wide-ranging" measures to resolve the North Korean nuclear problem.

Earlier Friday morning, Han met with new U.S. Defense Secretary William Perry and agreed to study plans to hold the joint military exercise "Team Spirit," tentatively scheduled for March 10, if North Korea refuses to allow inspection of its nuclear facilities.

Han told Perry that South Korea was positively considering the proposed deployment by U.S. forces in Korea of Patriot missiles, but he urged the United States to be careful about the timing, sources said.

The two officials further agreed that the current situation on the Korean peninsula could not be termed a crisis. Nevertheless, Seoul and Washington would make thorough preparations to preserve South Korea's security against any military provocation by North Korea.

Prior to meeting with Christopher, Han held wide-ranging discussions with senior officials of the U.S. State Department including Robert Gallucci, assistant secretary of state for political and military affairs, and Tom Hubbard, deputy assistant secretary of state.

The two sides agreed that they will not abandon their efforts to resolve the North Korean nuclear problem through dialogue before Feb. 21, when the IAEA Board of Governors is scheduled to meet.

In addition, they decided to study the possibility of holding a working-level contact in New York between the United States and North Korea in the belief that Pyongyang must be told of "the hard-line atmosphere" in the international community on the nuclear issue.

#### Han Holds News Conference 12 Feb

SK1202030094 Seoul YONHAP in English 0251 GMT  
12 Feb 94

[Text] Washington, Feb. 11 (YONHAP)—South Korea and the United States have decided to hold the joint military exercise "Team Spirit" this year if the North Korean nuclear issue is not resolved, South Korean Foreign Minister Han Sung-chu said Friday.

Han said the two countries have also agreed to make a final decision on the deployment by U.S. Forces in Korea of Patriot missiles after the International Atomic Energy Agency (IAEA) discusses the issue at its Board of Governors' meeting Feb. 21.

Han made the statement at a press conference after meeting with U.S. Secretary of State Warren Christopher and Defense Secretary William Perry earlier Friday.

Pyongyang and the IAEA are deadlocked over IAEA inspection of North Korean nuclear facilities. Unless some progress is made before the IAEA Board of Governors meets, the United States and its allies will refer the question to the U.N. Security Council for possible economic sanctions against North Korea.

"The deployment of Patriot missiles is still in the stage of discussion," Han told reporters. He and Perry have

agreed to make a final decision after the IAEA Board of Governors' meeting, Han added.

As a result of his talks with U.S. Government leaders, Han said he was able to confirm that "there is no change in the basic approach of South Korea and the United States to the North Korean nuclear question.

"There is nearly complete agreement on countermeasures between the two governments," Han said.

Han's remarks were received as an indication that Seoul and Washington have agreed to pursue a peaceful solution to the problem until the issue is referred to the U.N. Security Council, if the IAEA Board of Governors judges that the continuity in nuclear safeguards in North Korea has been broken.

"I have agreed with Secretary Christopher that it is desirable to exchange opinions and adjust positions among the IAEA Board of Governors," Han said.

"South Korea and the United States have decided to hold close consultations before and after the IAEA Board of Governors' meeting and at every stage," Han added.

The international community will do its utmost to help resolve the North Korean nuclear issue and will respect and cooperate with any decision made by the IAEA and the Security Council, Han said.

China has played a "very constructive" role, Han said, adding that he expects Beijing will continue to make a positive contribution in practical ways.

In regard to Team Spirit, Han said South Korea and the United States will plan for and hold the exercise unless progress is made on the North Korean nuclear problem.

The content of President Kim Yong-sam's personal letter to U.S. President Bill Clinton was not disclosed, but it was said to favor persuading North Korea to resolve the nuclear question through dialogue.

If all efforts failed, South Korea would go along with any decisions by the international community, Kim was understood to have told Clinton.

#### **Further on Han's News Briefing**

*SK1202083694 Seoul CHOSON ILBO in Korean  
12 Feb 94 p 2*

[Report by Pak Tu-sik on 10 February news conference in Washington, D.C. by Foreign Minister Han Sung-chu]

[Text] Foreign Minister Han Sung-chu, who left for the United States in a hurry with about 10 days to face the deadline for resolving the North Korean nuclear issue through dialogue, held a news conference with his accompanying reporters and Korean correspondents stationed in Washington after meeting U.S. Vice President Al Gore on 10 February. The following is a brief of the news conference:

[Unidentified reporter] What do the ROK and U.S. Governments think is the reason North Korea is not allowing nuclear inspections by the International Atomic Energy Agency [IAEA]?

[Han Sung-chu] There are various analyses. First, the restriction posed by the North Korean political and policymaking structure may be the reason. Second, it may be North Korea's negotiation strategy. In this case, it is possible that the situation will dramatically be reversed right before the IAEA Board of Governors meeting to be held on 21 February. The situation, however, would be pessimistic if we are under a fundamentally limited situation [kibonjok hangye sanghwang] (this seems to mean in case North Korea possesses nuclear weapons or feels uneasy for fear of the disclosure of its nuclear development), in which it is impossible to resolve the nuclear inspection issue.

[Unidentified reporter] Is it possible to refer the issue to the UN Security Council? Does the ROK agree on this?

[Han] It is hard to ignore any possibility at present. We will continue dialogue to the last, but will seek an alternate effort [tarun chawonui noryogul moseakhal kosida] if our effort for dialogue ultimately comes up against a wall. We will respect the international agency's decision on the North Korean nuclear issue.

[Unidentified reporter] Have you delivered our protest against U.S. media reports on rumors about a crisis on the Korean peninsula?

[Han] It is unreasonable to make a protest to the U.S. Government against those reports because they were made by independent U.S. media. However, I will express our concern about the fact that some media reports can make people misunderstand the current situation.

[Unidentified reporter] Do the United States and North Korea have any intention to resume their contacts in New York?

[Han] The possibility of their exchange of opinion through New York remains open, but not the resumption of contacts. They may use some means of communication. They just think that this is better than nothing in order to improve the situation. The United States will, however, hardly attempt dialogue on its own initiative.

[Unidentified reporter] There is the rumor that the U.S. State Department's recent attempt to resume contacts with North Korea in New York has failed because of the objection by the U.S. Department of Defense. Is this true?

[Han] As far as the ROK Government knows, it is not true.

[Unidentified reporter] Could you confirm, through a series of talks, the confrontation between the hardliners and the moderates inside the U.S. Government?

[Han] It is not right to divide all matters into toughness and moderateness. The ROK and U.S. Governments have invariably maintained the position that they will try to solve the North Korean nuclear issue through dialogue, and if this method does not work, they will carry a stick, too. The mobilization of strong measures is being made by the international situation, not by the will of the ROK and U.S. Governments.

[Unidentified reporter] How will the situation develop after the referral of the nuclear issue to the UN Security Council?

[Han] The effort for dialogue will be continued even after the issue is referred to the UN Security Council, but the reality will make it difficult. Two methods are being considered. One is the gradual increasing of sanctions beginning with light ones, such as the adoption of a resolution urging North Korea to allow inspections and diplomatic sanctions, and the other is applying certain sanctions during a short period. They have not decided yet which one to choose.

[Unidentified reporter] Do South and North Korea have any intention to attempt direct dialogue between themselves?

[Han] We have insisted on and urged holding South-North dialogue on the nuclear issue. North Korea, however, has not acceded to it.

[Unidentified reporter] What will be discussed if North Korean-U.S. dialogue is resumed at North Korea's request?

[Han] There are various possibilities. North Korea may demand that the United States lessen [wanhwa] the scope of nuclear inspections by the IAEA or that the United States confirm the inspections are not to be conducted as an obligation under the Nuclear Non-proliferation Treaty. The U.S. position is, however, that this is what has been agreed between North Korea and the IAEA. North Korea may also demand that the United States remove tension caused by U.S. moves, such as the reinforcement of its combat strength on the Korean peninsula, and guarantee the validity of the U.S.-North Korean agreement reached in New York late last year.

#### **Han on Urging Dialogue With DPRK**

*SK1302064494 Seoul YONHAP in English 0634 GMT 13 Feb 94*

[Text] Washington, Feb. 12 (YONHAP)—South Korean Foreign Minister Han Sung-chu said Saturday he was assured that U.S. policymakers wanted to leave channels with North Korea open if possible and try finding solution to the nuclear problem through dialogue up to the very last minute.

Winding up his first two-day agenda in the U.S. capital, Han told reporters that he came to understand that the chances of North Korea and International Atomic

Energy Agency (IAEA) reaching an agreement over nuclear inspections were slim but not entirely hopeless as reported by foreign press in discussing the matter with U.S. senior officials. He said he found the concern for a possible war in the Korean peninsula was very seriously spread among the U.S. press.

"I explained that the security situation in the Korean peninsula was not that serious as pictured in the U.S. press through interviews. I think the press views here have become more calm now," he said.

The foreign minister said Seoul and Washington agreed not to discuss the matter of deploying U.S. Patriot missiles in South Korea any more before the IAEA board meeting on Feb. 21 as not to provoke North Korea.

Noting a North Korean Foreign Ministry statement on Saturday urging Washington to be clear about the next round of bilateral talks, Han said he got the impression that Pyongyang's attitude has turned a bit softer, considering the statement highlighted that the United States wanted to continue talks with North Korea and the IAEA board meeting hinted at nuclear inspections to guarantee continuity of nuclear safety.

Han embarks on his four-day schedule in Canada on Sunday, stops by New York for talks with United Nations Secretary-General Butrus Butrus-Ghali on Feb. 16, and visits Washington the following day for the second time.

#### **Cited on Outlook on Nuclear Issue**

*SK1402005294 Seoul YONHAP in English 0042 GMT 14 Feb 94*

[Excerpts] Seoul, Feb. 14 (YONHAP)—With the International Atomic Energy Agency's Board of Governors' meeting only a week away, the United States and North Korea may meet in New York soon to resolve the deadlocked nuclear issue, a senior South Korean Government official says.

"A recent statement by the North Korean Foreign Ministry spokesman that stressed the need to resolve the nuclear problem is a very significant change," said the official Sunday.

"This (statement) is a big turnaround from the attitude North Korea has taken until now," the official said, asking that his name be withheld. The statement heightened the possibility of resolving the nuclear question through dialogue, he said. [passage omitted]

Saturday's statement is a big departure from one issued on Jan. 31, in which Pyongyang said it would not hesitate to leave the NPT if the United States continued to press for a comprehensive inspection of all seven nuclear facilities in North Korea, the South Korean official said. The latest statement can be viewed as an expression of North Korea's wish to resolve the issue through dialogue, he said.

The South Korean Government plans to work with the United States to help resolve the nuclear problem in the wake of the North Korean statement, he said.

Foreign Minister Han Sung-chu, who has just visited Washington for talks with U.S. Government leaders, also evaluates the statement as an indication that North Korea has "softened" its attitude.

Han, winding up his U.S. visit, noted that Pyongyang has stressed its willingness to resume talks with the United States and that the IAEA still wants to conduct inspections in order to maintain continuity in nuclear safeguards in North Korea. These developments have helped improve the outlook for resolving the issue slightly, Han said.

### Papers Evaluate Han's U.S. Visit

SK1402084994

[Editorial Report] The following is a compilation of articles published in Seoul vernacular daily newspapers on 14 February in connection with Foreign Minister Han Sung-chu's current visit to the United States to tune the ROK-U.S. policy on the nuclear issue.

The pro-government SEOUL SINMUN in Korean carries on page 5 a 1,600-word article by Washington-based correspondent Yang Sung-hyon summing up Foreign Minister Han's visit to the United States.

Recalling that North Korea begins to show signs of change through its 12 February Foreign Ministry statement while Foreign Minister Han's U.S. visit was close to an end, the article analyzes that Foreign Minister Han attempted to deliver three different messages to North Korea through his U.S. visit.

The article says the first message is "the invariable efforts to settle the nuclear matter through dialogue." The article notes that the ROK and the United States, through in-depth discussions, were able to tug out an agreement to "open a dialogue channel to the last moment for the solution of nuclear problem."

The second message, the article maintains, is connected with "the reports on a crisis on the Korean peninsula and the United States preparing stern measures against North Korea." The article interprets Han's expression of mild gestures as a move to avoid the current situation on the Korean peninsula being termed as a crisis. Citing the ROK-U.S. agreement that if the North Korean issue was referred to the Security Council, UN action against Pyongyang should be taken in stages rather than through immediate sanctions, the article says Han made clear that "the ROK and the United States have no intention of driving North Korea to an extreme situation."

The third message, the article notes, is "an expression of firm will to use a stick if North Korea continues to hold out to the end." The article says that the ROK and U.S. Governments try to deliver a warning to North Korea that unless North Korea accepts inspections by the end

of February, sanctions by the international community against North Korea will be "out of our hands."

The article sees that North Korea reacted to Han's such messages through its 12 February Foreign Ministry statement and concludes that "in this perspective, Han's visit can be evaluated as successful."

The moderate HANGUK ILBO carries on page 3 a 1,400-word article by Washington-based correspondent Chong Pyong-chin on Foreign Minister Han's achievements during his U.S. visit.

Citing press reports focusing on possible military scenarios in case of war on the Korean peninsula, the article says Han, in connection with this, has calmed down the U.S. media's aggravated reports by pointing out detailed points.

The article continues that "the purpose of Han's U.S. visit is to narrow the differences in opinions for the solution of the nuclear problem and to make correct diagnosis of the reports on a crisis on the Korean peninsula by going into the epicenter of the reports."

The article then adds that "President Kim's personal letter to President Clinton also firmly reaffirmed ROK-U.S. cooperation over the nuclear issue and expressed "concern and unpleasantness" over the U.S. media's reports on a crisis on the Korean peninsula.

The article concludes by saying that Han reassured the U.S. media that the current military movements on the Korean peninsula—including the recent reports on concentration of North Korean troops near the DMZ, deployment of the Patriot missiles, and resumption of Team Spirit exercise—are not something new aimed at preparing steps to countermeasure a possible crisis.

### President Talks With Japanese Premier Over Phone

SK1402104594 Seoul YONHAP in English 1032 GMT  
14 Feb 94

[Text] Seoul, Feb. 14 (YONHAP)—President Kim Yong-sam had [a] telephone conversation with Japanese Prime Minister Morihiro Hosokawa Monday afternoon to exchange opinions on matters of common interest including ways to cope with the North Korean nuclear question. Chongwadae [presidential offices] spokesman Chu Ton-sik said President Kim received a telephone call from the Japanese premier at 5 P.M.

In the telephone talks that lasted 18 minutes, the two leaders agreed that the nuclear question has entered a crucial phase and that it is important for South Korea, Japan and the United States to cooperate closely and take joint steps over the question, Chu said.

Hosokawa also informed President Kim about the contents of the talks he had with Clinton with emphasis on the nuclear question at their recent summit in Washington, he said.

The telephone talks were second of its kind held between Kim and Hosokawa in half a month. On last Jan. 29, President Kim called the Japanese premier to congratulate him on the passage of a controversial political reform bill through the Diet.

**Seoul, Japan Consider DPRK 'Gradual Sanctions'**

SK1302030494 Seoul YONHAP in English 0248 GMT  
13 Feb 94

[Text] Washington, Feb. 12 (YONHAP)—South Korea and Japan have reportedly agreed to seek gradual sanctions against North Korea under the accordance with the changes in the communist country's attitude toward its nuclear program instead of resorting to swift sanctions in case the problem is referred to the U.N. Security Council.

Korean Foreign Minister Han Sung-chu, meeting his Japanese counterpart Tsutomu Hata in the U.S. capital Saturday, widely discussed Seoul-Washington-Tokyo front on the North Korean nuclear problem and reached such agreement, Foreign Ministry Spokesman Chang Ki-ho said here.

Hata, in a clear show of change in past lukewarm position, expressed Tokyo's full support for economic sanctions against North Korea if necessary, Chang said.

Han explained that Seoul and Washington agreed to try dialogue to solve the North Korean nuclear problem to the last moment during his visit here and asked for Tokyo's cooperation.

Hata, expressing sympathy to diplomatic efforts, added that should the United States enter into sanctions against North Korea, Japan would cooperate under the boundaries of its law.

The Han-Hata meeting confirmed Seoul-Washington-Tokyo's comprehensive agreement and cooperation on North Korean nuclear issue, Chang said.

**UN Council To Urge DPRK To Accept Inspections**

SK1102012894 Seoul YONHAP in English 0111 GMT  
11 Feb 94

[Text] Washington, Feb. 10 (YONHAP)—The U.S. State Department has acknowledged that the permanent members of the U.N. Security Council [UNSC] have discussed adopting a statement encouraging North Korea to accept nuclear inspections before sanctions are imposed against the communist country.

Department spokesman Mike McCurry made the admission when pressed to comment on reports that adoption of a statement urging Pyongyang again to permit outside nuclear inspections has been discussed by the council's permanent members. McCurry did not elaborate on

whether the Security Council was moving to adopt the statement before the nuclear issue is referred to it or after.

Asked about the possible form of sanctions, McCurry said there has been no specific discussion since the issue has yet to be brought up formally. He said there were only informal meetings among UNSC permanent members to review the present situation and work out an agreement on the best possible means of resolving the North Korean nuclear issue.

As to speculation that China might exercise its veto power when the Security Council considers sanctions against North Korea, McCurry said Beijing has not revealed its official position on sanctions.

**UN Permanent Members To Discuss Nuclear Issue**

SK1202030494 Seoul YONHAP in English 0254 GMT  
12 Feb 94

[Text] Washington, Feb. 11 (YONHAP)—The permanent members of the United Nations Security Council (UNSC) will meet in Vienna, home to the Secretariat of the International Atomic Energy Agency (IAEA), to discuss the North Korean nuclear issue, an official accompanying Foreign Minister Han Sung-chu said Friday. Officials of the United States, Britain, France, China and Russia will hold discussions to prepare for possible referral of the problem to the Security Council, according to the official.

Han is visiting Washington to discuss ways to cooperate with the U.S. Government in dealing with the nuclear issue.

"Han and U.S. Secretary of State Warren Christopher agreed in their talks that a meeting of UNSC members at the IAEA will be useful in finding joint measures to cope with the nuclear problem at this stage," the official said.

If the permanent UNSC members discuss the problem in New York now even though the problem has not yet been referred to the United Nations, it might unnecessarily provoke Pyongyang, he added.

"That's why they decided to discuss the problem at the IAEA," he said.

**'Senior' Official Reacts to DPRK Statement**

SK1302093494 Seoul YONHAP in English 0917 GMT  
13 Feb 94

[Text] Seoul, Feb. 13 (YONHAP)—While Seoul and Washington repeatedly pledged to continue dialogue to solve the North Korean nuclear issue, Pyongyang hinted at willingness to try more dialogue to approach the problem in a statement issued on Saturday.

A North Korean Foreign Ministry spokesman said Pyongyang was notified that Washington wanted to continue nuclear dialogue and the International Atomic

Energy Agency (IAEA) board meeting hinted its wish to conduct inspections to guarantee continuity of nuclear safety in an interview with the Korean Central News Agency. The spokesman added that such position was very good, drawing a great contrast with former angry and threatening statements from Pyongyang and hinting a change in its position on the nuclear issue.

"This (statement) is very meaningful change. It raises the chance of resolving the matter through dialogue," a senior government official said Sunday.

Although the statement was in the form of an interview and not an official announcement, it said there was no change in North Korean position to approach the nuclear problem through dialogue and urged Washington to act if it really wanted settle the matter by dialogue.

"It is a great change from the Foreign Ministry statement on Jan. 31 that threatened to withdraw from the Nuclear Nonproliferation Treaty if the United States continues to demand fullscope nuclear inspections," the official noted.

Both Seoul and Washington cautiously view the statement a remarkable change in the attitude of the Stalinist country.

In Washington, visiting South Korean Foreign Minister Han Sung-chu observed that the statement has raised the possibility of resolving the nuclear matter to some extent.

#### **Papers Comment on Future of DPRK Nuclear Issue**

SK1402094894

[Editorial Report] The following is a compilation of articles and editorials from ROK vernacular newspapers published on 14 February on the future of the North Korean nuclear issue following the remarks made by a spokesman of the North Korean Foreign Ministry on 12 February and ROK Foreign Minister Han Sung-chu's recent visit to the United States.

The moderate CHOSON ILBO in Korean publishes on page 3 a 1,200-word article by correspondent Pak Tu-sik from Washington on the possibility of a new turn in the North Korean nuclear issue.

Reviewing the contents point by point, the article analyzes that the North Korean Foreign Ministry spokesman's 12 February comment implies another new turn in the North Korean nuclear issue, which has been aggravated since a statement was issued by a spokesman of North Korean Foreign Ministry on 31 January.

The article says that although it cannot be expected that the North Korean nuclear issue will be resolved through dialogue by 21 February, it notes: "it has been confirmed

that North Korea does want a breakthrough of the current situation which could only result in UN Security Council's measures."

The article notes North Korea's sudden assertion that it received "new facts" that the United States is willing to continue dialogue and that the inspections of the International Atomic Energy Agency [IAEA] are purely for the continuity of safeguards—while the two conditions are not new at all—are to "accumulate pretexts for internal reporting procedures."

The article concludes that the behind-the-scenes communications between the United States and North Korea in the remainder of the week will be noteworthy.

The moderate CHOSON ILBO in Korean publishes on page 3 an 800-word editorial on the follow-up measures on the nuclear issue.

The editorial says: "If it is inevitable to seek resolutions in the frame of sanctions instead of negotiations, the government should clearly convey to North Korea that the sanctions are not threats but a reality, and should be prepared to clearly interpret North Korea's response."

Therefore, the editorial urges that a communications channel is established to quickly communicate our decision to the top decision maker in North Korea in order to prevent a crisis resulting from delayed communications.

If this does not work out, the editorial says crisis management measures should be sought at this stage. The editorial stresses that the most important thing at this stage is to cautiously manage the domestic systems in the ROK and the United States so that a prudent counter-measure to minimize the crisis can be carried out with a national consensus of opinion.

The moderate TONG-A ILBO in Korean publishes on page 2 a 600-word article by correspondent Nam Chang-sun from Washington entitled "Main Role and Supporting Role in Handling the North Korean Nuclear Issue."

Noting that there had been frequent contacts between South and North Korea a year ago for the denuclearization of the Korean peninsula, the article regrets that now the nuclear issue has become an issue to be resolved between North Korea and the United States or the IAEA.

The article analyzes that North Korea succeeded to exclude South Korea from the issue because "it was aware of the effects and limits of South Korea's carrots and sticks and disregarded them."

The article says Foreign Minister Han Sung-chu's hasty visit to the United States to pull back the Clinton Administration from rushing into a hard-line position and to "confirm" that the U.S. policy on the North Korean nuclear issue was the same as ours, vividly shows the ROK's supporting role.

The article asserts that we should seek a way to play the main role in the North Korean nuclear issue because it is directly linked with our destiny.

The moderate KYONGHYANG SINMUN in Korean publishes on page 3 a 1,400-word article by correspondent Yi Sung-chol from Washington analyzing the possibility of a breakthrough in the North Korean nuclear issue.

The article notes that the comment made by a spokesman of North Korean Foreign Ministry was announced on the same day NODONG SINMUN carried a hard-line commentary that any sanctions will be regarded as a proclamation of war, and quotes an ROK Government official as saying: "The NODONG SINMUN commentary and Foreign Ministry spokesman's comment can be analyzed as a fake operation."

The article reports North Korea seemed to have put considerable emphasis on the Foreign Ministry spokesman's comment because it even distributed copies of the contents to ROK and Western correspondents in the United States.

The article analyzes that "such a move of change resulted from the North Korean leaders' crisis awareness" as well as "the ROK Foreign Minister's efforts during his recent visit to the United States to create an atmosphere for North Korea's change."

The article worries that optimism can be destroyed at any moment if the real emphasis was on the NODONG SINMUN commentary and the other comment was a harassing tactic noting that no changes were seen in North Korea's contact with the United States in New York or with the IAEA in Vienna.

The article reports the ROK and U.S. Governments are establishing phased countermeasures while analyzing North Korea's real intent.

#### **PRC Position on DPRK Nuclear Issue Examined**

*SK1202082594 Seoul HANGUK ILBO in Korean  
12 Feb 94 p 2*

[Article by Beijing-based correspondent Yu Tong-hui:  
"What Is Beijing's Method of Solution?"]

[Text] With the beginning of the "march of crisis" of the North Korean nuclear issue toward the deadline of 21 February, people's attention is directed to China's attitude.

When the situation was dashing toward a catastrophe after North Korea declared its withdrawal from the Nuclear Non-proliferation Treaty [NPT] on 12 March last year, what the people had to watch attentively was China's attitude. This was because China is the only nation that can exercise influence on North Korea and is a permanent member state in the UN Security Council whose consent is absolutely necessary when the Security Council takes procedures for sanctions against North

Korea. However, as long as the North Korean nuclear issue is concerned, the Chinese side kept a consistent position, at least outwardly, whether in the situation of crisis or in the stage of negotiations.

China put forward as a precondition its position that neither the North nor the South of Korea should have nuclear weapons. Nevertheless, China maintained the position that the North Korean nuclear issue is a problem which should be resolved between North Korea and the United States; between North and South Korea; and between North Korea and the International Atomic Energy Agency [IAEA]. Proceeding from this position, China opposed referring the issue to the UN Security Council. Moreover, China maintained that the problem should be resolved through dialogue and persuasion, instead of sanctions.

The past one year can be called a course of application of the Chinese-style method of solution to the North Korean nuclear problem through dialogue. However, the resolution of the problem through dialogue has not been successful for the past one year. At this point, therefore, mere repetition of the Chinese side's basic position may be criticized as an irresponsible attitude of the nation with the responsibility for international problems.

Some people, however, predict that although China is outwardly opposed to taking procedures for sanctions against North Korea, it would internally give strong pressure to the North Korean side. China does not want to aggravate relations with Western countries, including the United States, even while maintaining its existent position. Besides, China is expected to play an active role in leading the situation in such a way as to resolve the problem through dialogue.

China presently has more favorable conditions than last year for exercising influence on North Korea. First, distrust caused between China and North Korea by the establishment of ROK-China diplomatic relations was removed last year to a considerable extent. Recovery of North Korea's trust in China would broaden the scope of China's persuasion of North Korea. Second, with persistent nuclear crisis, the degree of North Korea's economic reliance on China has been deepened.

However, even if the situation comes for China to take advantage of the card pertaining to energy, China will not likely use this card as the West expects. What one should pay attention to in observing China's attitude is the issue of renewing most-favored-nation status in early June. It is expected that the issue of renewing the most-favored-nation status will cause considerable discord because the Clinton administration put forward the improvement of China's human rights as a precondition.

This being the case, China will strive to gain maximum practical interest by opposing the West's method for solution to the nuclear problem to the maximum possible extent. The basic reason for China—a nuclear power—not to keep step with the West is the difference

in views on whether the North Korean nuclear arms are an actual threat or a diplomatic card.

Unless clear evidence of the existence of North Korean nuclear arms is revealed to the public, "China's brakes" will likely continue in the future.

### **Kim Il-song Reportedly To Visit China in Apr**

*SK1402021494 Seoul KYONGHYANG SINMUN in Korean 14 Feb 94 p 1*

[Report by Chong In-hwa]

[Text] It has been learned that North Korean President Kim Il-song is slated to visit China around April.

A high-level government source on 13 February revealed: "China and North Korea are supposedly discussing President Kim Il-song's visit to China," and added that "the timing is likely to be April, right after President Kim Yong-sam's visit to China."

It was learned that China's invitation to President Kim Il-song was made in the course of China informing the North Korean side of President Kim Yong-sam's itinerary. President Kim Il-song will reportedly hold a summit with Chinese President Jiang Zemin to discuss its nuclear issue and ways to enhance bilateral cooperation to help North Korea spur Chinese-style opening, said the government source.

The source said: "China is worried about being caught in a diplomatic dilemma in case the United Nations decides to impose sanctions against North Korea," adding, "Accordingly, China is expected to invite President Kim Il-song and will stress its stance of supporting denuclearization on the Korean peninsula and will induce North Korea to adopt the policy of Chinese-style opening to stabilize the North Korean system."

### **DPRK Said To Pursue Chinese-Style Opening**

*SK1102040494 Seoul HANGYORE SINMUN in Korean 8 Feb 94 p 8*

[Article by reporter Yun Kuk-han: "North Korea's Moves To Introduce 'Chinese-Style' Opening"]

[Text] Concerning the visit to China by Hwang Chang-yop, secretary of the North Korean Workers Party and chairman of the Foreign Affairs Committee of the Supreme People's Assembly, observers have recently affirmed that North Korea will soon officially declare the introduction of Chinese-style opening policy.

Such observation has persuasive power because of the fact that toward the end of last year North Korea finalized laws pertaining to opening up, including the law on lease of land and the foreign investment law, and that President Kim Il-song emphasized the trade-first policy in his New Year address.

The North Korean nuclear issue, which has been blocking external cooperation up to now, still remains unsolved. However, with the possibility of the resolution of the problem during the first half of the year, the people will pay attention to North Korea's moves toward opening up. In fact, North Korea was reported to have been suffering from economic difficulties, including negative growth, during the past three years. As the result, it is likely that North Korea will inevitably take steps for economic revitalization in any form, even for the sake of maintaining its political system. President Kim unusually admitted the failure in the third Seven Year Plan during the 21st Plenary Session of the sixth party Central Committee last year.

Under these circumstances, North Korea dispatched Hwang Chang-yop, one of the real power holders within the government, to Beijing with a view to improving relations with China and to grasping the real situation of Chinese-style reform. It is believed that he visited China so that North Korea could review its own opening up.

During his stay in China for eight days, from 15 to 22 January, Hwang Chang-yop intensively toured Zhuhai's special economic district, an agricultural science research institute, plants, enterprises and other major industrial facilities in Guangdong Province.

The government-operated Beijing broadcast reported that in meeting with Hwang Chang-yop, Chinese President Jiang Zemin explained the reform and opening implemented by China and on successes in socialist market economy, and that Hwang praised the achievements made by China in building socialism with Chinese characteristics. It was also learned that before and after Hwang's visit to China, North Korea sent a group of economic experts to special economic districts and other areas in China in a bid to grasp the practical situation there.

Concerning such moves by North Korea, Hwang Pyong-tae, ROK ambassador to China, revealed that "North Korea recently sent a number of people to Beijing, Shanghai, Guangzhou and Shenzhen, to personally learn from Chinese-style reform and opening by touring the actual sites and spots. Thus, something appears to be changing in North Korea."

North Korea also seems to be interested in economic cooperation with many nations in Asia, other than China, that have grown rapidly in recent years. Amid this situation, Kim Chong-u, vice chairman of the External Economic Commission, who is actually leading the economic opening up, revealed early this month North Korea's willingness to join the Asia-Pacific Economic Cooperation. Kim Chong-u toured Singapore, Thailand, Hong Kong and Vietnam last year. All these moves show that North Korea is seeking economic cooperation with other countries.

Experts in North Korean affairs note that North Korea already expressed its will to open up during the Sixth Party Congress in 1980. That time, President Kim

expressed for the first time the will to expand exchanges with capitalist countries. According to this, North Korea formulated the Joint Venture Law in 1984 and actively attempted to induce foreign capital. However, since its efforts were not successful, North Korea began to show interest in Chinese-style opening up through special economic zones in the nineties. In the earlier stage, North Korea believed that Chinese-style economic opening up would destroy the socialist political system at last. Therefore, North Korea tried to distance itself from it. However, seeing the economic development successes in the special zones in China and that the political system remained intact, North Korea seemed to have changed its mind.

This can be noted from the fact that President Kim Il-song and then Premier Yon Hyong-muk made consecutive tours to special economic zones in China in October 1991. In December of the same year, North Korea officially designated Najin and Sonbong in North Hamgyong Province as "free economic trade zone" as decided by the Administration Council.

President Kim Il-song openly expressed his interest in and support for China's economic reform during the events marking the 9 September holiday [DPRK founding anniversary] last year.

Kim Tae-chung, chairman of the Asian-Pacific Peace Foundation in the ROK, said that "North Korea, finally realizing that there is a road for economic development even by maintaining the socialist system, is advancing along this road." Thus, he stressed that North Korea has already begun to implement the policy of Chinese-style opening up.

North Korea is expected to attain the increase in employment and growth in the light industry through opening up and, thus, to upgrade the people's standard of living by revitalizing its stagnant economy.

On the other hand, it is likely that North Korea, while operating special economic zones in the district far away from the central area like China does, will apply laws and regulations pertaining to opening up only to these special zones so that the wind of reform will not influence other areas.

The prevailing consideration is that North Korea, with not as vast land and as large population as China's, may be able to prevent the wind of reform from expanding on a short-term basis. However, overall opening up of the entire society will be inevitable in the long run.

#### **Barter Trade Along DPRK-PRC Border Examined**

*SK1302121694 Seoul HANGUK ILBO in Korean  
12 Feb 94 p 5*

[Article by Yun Sun-hwan: "North Korea-China Border Trade"]

[Text] As North Korea-China border trade is expanding rapidly, the border areas along the Yalu and Tumen Rivers emerge as "strategic markets" that will lead North Korea to open its economy. North-South direct trade is still minimal, and there are limitations on the types of goods to trade. Therefore, it has been proposed that ROK business corporations positively utilize North Korea-China border trade as a means to promote "indirect North-South trade in order to lead North Korea to open its market and promote economic cooperation with North Korea."

The North Korean Economy Research Center of the Korea Development Institute released a "Report on North Korea-China Border Trade" on 11 February. The report says North Korea-China border trade, which is promoted in the form of barter trade, has been rapidly expanding by over 20 percent a year since the start of the nineties thanks to the successive measures by the governments of the two countries to expand bilateral trade. Even though exact figures have not been made public, the volume of North Korea-China border trade is estimated at over \$100 million in 1990 and over \$240 million in 1992, which accounts for 35 percent of the total volume of bilateral trade. However, in many cases, business corporations involved in North Korea-China border trade tend to report reduced amounts of trade to authorities concerned to reduce customs duties and taxes. Therefore, the volume of border trade is estimated to be over 50 percent of the total volume of trade (\$300 million).

Border barter trade, which can be said to be rather primitive and unusual compared to other forms of international trade, is expanding rapidly between North Korea and China. This is because North Korea faces very serious shortages of daily necessities and hard currency. Through border trade, North Korea imports such daily necessities as textile goods (36 percent), groceries (31 percent), and chemical, electric, and machinery goods (17 percent) from China. In return, North Korea exports mineral products, fishery products, and antiques to China. Both countries prefer border barter trade over ordinary trade because they face shortages of foreign reserves and have no appropriate credit transaction system.

Therefore, to expand border trade, the two countries have reportedly taken measures to ease various restrictions and give tax breaks. Special customs rates, a mere 50 percent of ordinary rates, are applied to almost all goods in border trade, and procedures of trade have been simplified. The Chinese Government's "measure to ease trade management" eliminated almost all import restrictions toward the end of 1992, and a \$180 million border trade contract covering 30 items of goods, the largest amount over the 10-year period, was signed at a North Korea-Jilin, China, border-trade fair last May. In fact, border smuggling trade, which is called "peddling," had been prevalent under governmental tacit approval.

Therefore, the Chinese Government's measure to activate border trade is described as an approval of such "peddling trade."

Border trade is growing in areas along the Yalu and Tumen Rivers, close to the three Northeastern Provinces of China—Jilin, Liaoning, and Heilongjiang, and the Yanbian Korean Autonomous Prefecture of the Jilin Province and the border areas close to the prefecture are the most prospering markets. North Korea reportedly opened approximately 140 Chinese goods markets in Sinuiju of North Pyongan Province, Manpo of Chagang Province, and other areas last year to expand border trade with China.

The Korea Development Institute says: "In case North Korea-China border trade continuously expands, domestic business corporations must use North Korea-China border areas as a forward base for indirectly leading North Korea to open its economy." The institute also says that toward that end, domestic business corporations must have Chinese border-trade companies as agents or sign work agreements with Chinese border-trade companies to join in border trade in this region. The institute also says: There are "risks in trade" because of the infrastructural problem and the credit problem. However, given the fact that North-South trade is now being promoted through third countries, North Korea-China border trade will become an important means to lead North Korea to sell ROK goods in the North Korean market and open its economy.

#### **North Korean Lumber Workers Reportedly Defect**

*SK1402063094 Seoul YONHAP in English 0615 GMT  
14 Feb 94*

[Text] Seoul, Feb. 14 (YONHAP)—Two North Koreans sought asylum after arriving at Kimpo International Airport aboard an Aeroflot jetliner Sunday afternoon, the Agency for National Security Planning (NSP) said Monday. Choe Myong-hak, 34, and Kim Tae-pom, 32, arrived at Kimpo Airport carrying Russian passports, the NSP said. Kim was born in Songchon, South Pyongan Province, and Choe is from Najin, North Hamkyong Province. Both of the men left behind families in North Korea.

In 1989, they were dispatched to a lumber factory near Khabarovsk, Russia, where they worked as drivers. They left the factory last July and gained Russian passports using the names of ethnic Koreans there. Sunday's incident marks the first time that North Koreans have entered South Korea by plane and defected.

#### **North Reportedly 'Instigating' Unrest in South**

*SK1202033294 Seoul THE KOREA TIMES in English  
12 Feb 94 p 2*

[Text] North Korea is trying to use the labor movement for wage hikes and better working conditions in South

Korea to achieve its goal of generating social confusion in the South by instigating workers here to strike.

Between late last year and Jan. 22, Radio Pyongyang aired a 10-part lecture by a Kim Il-song University professor on "Several Problems Found in South Korea's Labor Movement," according to the official North Korea watcher, NAEWOE press.

The lecture was apparently aimed at stirring up social unrest in South Korea, as South Korean workers showed signs of cooperating with their employers to achieve industrial peace in support of President Kim Yong-sam's policy on increasing international competitiveness of South Korean products under his new five-year economic development plan, analysts say.

The lecturer, noting "a temporary retreat by the South Korean labor movement," said different views and theories voiced in the course of making a decision on the movement's direction should be blamed for this retreat and stressed the need for "a militant strike struggle."

Also, the Workers' (communist) Party newspaper, NODONG SINMUN, in a commentary carried in the Jan. 31 issue severely criticized President Kim Yong-sam for seeking industrial peace in recent meetings with business leaders, and urged South Korean workers and citizens to launch a struggle to overthrow the Kim Yong-sam government.

The Radio Pyongyang lecturer, defining workers as "the leaders of a South Korean revolution," said the South Korean proletariat's political line of action should be based on Korean's "chuche" (self-reliance) socialism rooted in the masses, adding that "chuche" thought should be "the guiding ideology of South Korea's labor movement."

Claiming that South Korea's labor movement has problems due to conflicting opinions in the leadership, he said "Kim Chong-il, the sagacious revolutionary leader, has provided the most scientific solutions to these problems."

In the fifth part of the lecture, noting that there are two theories in the South Korean labor movement—one for national unification based on proletariat liberation and the other for democratization before unification—he said both are wrong because they belittle the importance of the unification issue.

South Korea's labor movement should focus its political struggle on the unification issue because in South Korea's "colonial society under foreign imperialist rule, proletariat liberation and democratization cannot be achieved without national liberation from the imperialist colonial rule."

North Korea, seeing "the struggle for national unification" as being on a par with "the struggle against foreign aggressors and proletariat liberation struggle" calls on South Korean workers to fight for national independence and proletariat liberation. It also calls for united front of

"all patriotic forces through struggle against foreign rule and dictatorship," as seen in the eighth part of the lecture.

According to this lecture, South Korea's labor movement should practice sabotage, strikes, demonstrations and riots, which should be employed not only in political and economic struggles but also in violent and non-violent struggles, lawful and unlawful struggles and large-and small-scale struggles.

The preference for one of the political and economic struggles over the other is "a leftist tendency," which South Korean workers must cope with "by equipping themselves with the labor movement methodology based on 'chuche' though to combine both political and economic struggles on an equal footing."

"The enthusiasm and mood of the masses aroused through the economic struggle must be directed to the struggle for political objectives," the lecturer said.

For instance, South Korean workers must direct the struggle for economic goals, such as wage hikes, improved working conditions and tax cuts, to that for the political goals of the release of political prisoners, revision of labor laws, freedom to organize trade unions, withdrawal of U.S. troops and overthrow of the government, he said.

To lead such a labor movement, the lecturer stressed the need for South Korea's workers to develop leaders of such dissident groups as the National Council of Trade Unions, the National Association of Industrial Unions and the Hyundai Group Trade Union Federation as a strong driving force.

This will help develop South Korea's labor movement into a strong political force, an important strategic goal, under the influence of the workers' party.

In the face of "the Fascist puppet regime's oppression," the South Korean proletariat must employ lawful, semi-lawful and unlawful approaches to organizing its own political party, he stressed.

In the final and 10th part of the lecture, the lecturer said strikes are the basic instrument for workers to achieve their objectives and commended South Korea's dissident unions for their leadership in past strikes.

The lecture was designed to create social and economic confusion and unrest in South Korea by instigating South Korean workers to take to the streets in a struggle against the Kim Yong-sam government's plan to increase competitiveness of South Korean goods in overseas market.

### **Lunar New Year Celebration in North Reported**

*SK1202061394 Seoul YONHAP in English 0531 GMT  
12 Feb 94*

[Text] Seoul, Feb. 12 (YONHAP)—North Koreans across the country observed Lunar New Year's day on Feb. 10 by playing folk games, according to Radio Pyongyang as monitored by NAEWOE press, the official North Korea watcher here.

"Our people meet Lunar New Year's day, one of the traditional festive seasons, at this juncture of a forceful march toward a new victory, upholding the (Solar) New Year's day message (of President Kim Il-song), and cities and villages are filled with the rejoicing of workers, farmers and children playing such folk games as sledging, kite flying and top spinning," Radio Pyongyang was quoted as reporting on Friday.

The report, noting that Lunar New Year day is one of Koreans' three traditional festive seasons, said, "the people clean their houses on New Year's Eve to send off the passing year and put on new clothing and eat special food on New Year's day to meet the coming new year."

"The most important thing you must do on New Year's day is bow down to your parents and seniors in New Year's day greetings, as this is a custom observed on New Year's day only, and not in other festive seasons.

"In the past, poor workers could afford to prepare only one or two plain dishes on Lunar New Year's day and the only jovial way for them to spend the festive day was to play a folk game."

Radio Pyongyang was also quoted as reporting that North Koreans spent a joyful Lunar New Year's day "because of the sagacious leadership of Kim Chong-il in the preservation and development of the cultural assets of the nation handed down from generation to generation."

Pyongyang resumed observing Lunar New Year's day in 1989, not as a public holiday but as a "substitute holiday"—meaning that North Koreans must work on a public holiday in exchange for a day off on this substitute holiday.

Just after the armistice ending the Korean war was signed in July 1953, North Korea stopped observing Lunar New Year, regarding it as a vestige of feudalism.

On Lunar New Year's Eve in February 1989, Radio Pyongyang, celebrating the holiday's restoration after 36 years of oblivion, reported the people could once again observe the day as a traditional festive season through "the good offices of the dear leader (Kim Chong-il)."

Celebration of Lunar New Year's day in North Korea appears to be quite different from South Korea.

In South Korea the first event performed by every household on this traditional holiday is a rite in memory of ancestors, but in North Korea this custom is not

observed, according to North Korean media. Instead Kim Il-song and Kim Chong-il are eulogized through propaganda praising the Kims for restoring Lunar New Year's day as a traditional festive season, with the people told anew to pledge their allegiance to this father-son dynasty by visiting a nearby statue of Kim Il-song.

In North Korea, Lunar New Year's day is not a day of family reunions, unlike in South Korea.

In playing folk games, however, North Koreans are not much different than their brethren in the South: Sledging, top spinning, kite flying and other games are played on both sides of the border.

### **Representative Returns After 10 Months in Taiwan**

*SK1102015394 Seoul YONHAP in English 0137 GMT 11 Feb 94*

[Text] Seoul, Feb. 11 (YONHAP)—Rep. Chong Tong-ho returned home on Wednesday after staying in Taiwan for about 10 months.

Chong bolted from the ruling Democratic Liberal Party and flew to Taiwan soon after a controversy developed over his alleged accumulation of an illicit fortune last April. "I am sorry for neglecting my legislative activities and for failing to represent my constituents properly in the past," Chong said upon his return. He said that in Taiwan he had studied Chinese at Taiwan political college and received treatment for his arthritis.

Chong visited the national cemetery on Thursday and planned to call on National Assembly Speaker Yi Mansop and the two vice speakers on Saturday.

Regarding his fortune, Chong said he believed any suspicions had been fully swept aside following the Assembly Ethics Committee's investigation into the properties of assembly members.

"It is fortunate that the properties of myself and my family were found to have been made through legal means," Chong said.

Last week speaker Yi sent a message to Chong, telling him to return to the assembly forthwith or face disciplinary steps.

### **Russian Envoy Interviewed on DPRK, Loans**

*SK1202232494 Seoul HANGUK ILBO in Korean 12 Feb 94 p 5*

['Summary' of 'exclusive' interview with Georgiy Kunadze, Russian ambassador to the ROK, by Kim Yong-kol on 8 February—place not given]

[Text] [Kim Yong-kol] What is your view on North Korea's nuclear issue?

[Georgiy Kunadze] Russia is displeased with North Korea, which is trying to receive "special treatment"

within the Nuclear Non-proliferation Treaty [NPT]. In March 1993 North Korea declared that it would withdraw from the NPT, but has withheld that decision. North Korea can choose on its own if it will withdraw or remain in the NPT. As long as it has decided to remain in the NPT, however, I believe that as a member of international society, North Korea must sincerely implement the duties of preventing nuclear proliferation. North Korea must show a clear attitude regarding this matter.

[Kim] It was learned recently that the Russian Government is showing moves to repay ROK's loan through the transfer of military technology.

[Kunadze] The Russian Government regards the ROK as an ally. Therefore, I believe that there will not be any big barrier in transferring military technology. I believe that this issue must proceed from a purely private level and in accordance with international practice. If the quality is good and the price satisfactory, I do not know of any reason for the ROK not to purchase Russian weapons. This can be carried out in the form of a direct trade or possibly through joint ventures.

[Kim] How do you view the bombing of the Korean Air Line plane in 1983 and the issue of repaying the ROK's loan, which are regarded as pending issues between the two countries?

[Kunadze] The Russian Government has cooperated to find out the truth about the Korean Air Line plane bombing incident. I believe that the Russian side is no longer politically responsible. I would like to express profound sympathy for the victims and the bereaved families. Even though experts from Russia, the ROK, and other related countries carried out an accurate investigation and reached a united result, I doubt that this will by any means be a consolation to the bereaved families.

The issue of repaying the ROK loan is a slightly delicate issue. When Russia was burdened with the old Soviet Union's foreign debt, it reached an agreement with the Western creditor group on the principle of repaying debt. A condition was attached in that Russia cannot repay its loan with any other country before receiving approval from the Western creditor group. I would like to reveal that repaying the \$3 billion debt to the ROK side is not that big a burden to Russia, but Russia can suffer economic consequences from the Western creditor group if Russia repays the ROK.

[Kim] Do you have anything to say to the ROK Government?

[Kunadze] Most of all, I would like to discuss the issue of returning the embassy lot situated in Chong-tong, Chung-ku, which was used during the Czarist days. The embassy building that we are currently using is situated in Samsong-tong, Kangnam-ku and is too far away from the center of the city, thus causing difficulties in conducting our work.

During the Czarist days, all embassy buildings in the ROK were built from soil and building material brought from their native countries. This is why we have such an affection for our embassy lot. China and Vietnam have been allowed to use the embassy lot that was used by the former Taiwanese and Saigon governments. I would appreciate it if this was considered.

[Kim] What is your impression of being appointed ambassador to the ROK?

[Kunadze] I have visited the ROK on many occasions before, but this is the first time I have assumed the duty of ambassador. I am working to get accustomed to Korean customs. The ROK is a safe country at least in public peace and order because there are not that many crimes such as highway robberies. However, I believe that the ROK is faced with serious social problems, such as water contamination and traffic congestion.

#### **Korea, Japan, Russia Cooperate on East Sea Test**

SK1202063294 Seoul YONHAP in English 0620 GMT  
12 Feb 94

[Text] Seoul, Feb. 12 (YONHAP)—South Korea, Japan and Russia will conduct a joint test of the East Sea from next month for signs of contamination from radioactive waste dumped by Moscow, the Foreign Ministry announced Saturday. The three countries signed an agreement in Vladivostok to send out the 4,000-ton Okean, a Russian survey vessel, to seven test points in the sea that lies between Korea and Japan. Okean will leave Vladivostok around March 10 and stay out for 31 days, the Ministry said.

A total of 32 surveyers, seven from South Korea, nine from Japan, 15 from Russia and one from the International Atomic Energy Agency (IAEA), will participate in sampling of the water, seabed and plankton.

Seoul and Tokyo were alerted and ired when they found out last fall that the former Soviet Union and Russia have been dumping nuclear waste into their adjacent seas for decades.

Plans for a joint survey were delayed over cost sharing, but the three countries finally agreed to bear the burden equally, the Ministry said.

On-spot test results would be out within one month after Okean completes its course, but the final analysis will be out approximately a year later.

Second set of survey will take place sometime in mid-year, the Ministry said.

#### **Further on Pollution Testing**

SK1402025394 Seoul YONHAP in English 0221 GMT  
14 Feb 94

[Text] Seoul, Feb. 14 (YONHAP)—South Korea, Japan and Russia have agreed to jointly investigate radioactive pollution of the East Sea (Sea of Japan) by the former

Soviet Union and Russia's dumping of nuclear waste, from March 15 for 31 days, the Science and Technology Ministry said on Monday. Delegates from the three countries signed a letter on the investigation in Vladivostok, Russia, on Saturday.

According to the plan, nuclear and marine experts from the three countries will leave Vladivostok aboard a 4,000 ton-class Russian ship, the Okean, on March 15 and conduct an investigation of seven points in the East Sea for 31 days. The experts will examine sea water, undersea soil and marine life.

Within a month after the investigation, the experts will submit a preliminary report and within a year, they will issue a final joint report. Seven experts from Korea, nine from Japan, 15 from Russia and one from the International Atomic Energy Agency will participate in the mission, with the costs shared by the three countries.

#### **U.S. Congressmen in Seoul To Discuss Military**

SK1402115794 Seoul YONHAP in English 1146 GMT  
14 Feb 94

[Text] Seoul, Feb. 14 (YONHAP)—Six American representatives of the House Appropriations Committee flew into Seoul on Sunday to discuss the issue of South Korea's share in U.S. military expenses in Korea. The Congressmen were led by Rep. John P. Murtha, chairman of the Defense Subcommittee of the Appropriations Committee.

On Monday they conferred with Defense Minister Yi Pyong-tae and Chongwadae [presidential offices] Senior Secretary for Foreign Policy and National Security Chong Chong-uk.

The American lawmakers will meet Vice Foreign Minister Hong Sun-yong Tuesday morning before leaving the country on the same day aboard a U.S. military plane. Government sources said that at their call on Defense Minister Yi, they discussed the question of expense share and also the possible deployment of Patriot missiles in Korea. The six Congressmen were accompanied by five Pentagon officials including a special assistant to the Defense Secretary, the sources said.

#### **Paper Urges U.S. To End 'Trade Offensive'**

SK1302100494 Seoul HANGYORE SINMUN in Korean  
13 Feb 94 p 3

[Editorial: "The United States Should Refrain From Indiscriminate Trade Offensive"]

[Text] Even amid the traffic hell created on the way home and on the return to Seoul, we enjoyed the Lunar New Year holiday. However, the situation outside the nation was not quiet. In addition to the North Korean nuclear issue to which the world is directing attention, the U.S. trade offensive has been strengthened with each passing day. The import of rice and beef has now become an old story. Following the pressure to open financial

markets, expansion of automobile imports and protection of intellectual properties have become the imminent issues. Besides, in a meeting with the ROK minister of commerce and industry a few days ago, the U.S. Ambassador to the ROK made a strong protest against our court's decision to put the representative of the Korean branch of the U.S. Amway Company, who was previously brought to a summary indictment, on trial. He also expressed a deep regret for disadvantages inflicted on U.S. business firms last year by our government reversing its decision to designate firms for the mobile telecommunications project in our country. It was learned that during "talks for economic cooperation" to be held in Washington this week, the United States will demand the positive improvement in the tax system, custom clearance, financial restrictions, and management-labor disputes, as well as for establishment of an organization within the Economic Planning Board to exclusively handle the elimination of trade friction and improvement of the investment environment. In a nutshell, a special institute should be organized as a government office to promptly settle complaints put forward by U.S. business firms now operating in the ROK.

It appeared that with the resolution of Uruguay Round [UR] negotiations, the reorganization of the world trade order came to a temporary settlement. However, without even moments for a breath-taking thereafter, we became the target of concentrated fire attack by the United States. The UR agreement is a discriminative and unfair trade order which reflects the interests of only a few big powers. However, since they emphasized that this is the way for removing obstacles laid on the road of world trade, we cooperated by opening even our rice markets on which the nation's life depends. This being the case, those who led this negotiation should direct their utmost efforts on the operation of this system and should wait for its achievements. However, the U.S. attitude totally contradicts this. By taking advantage of the settlement of the negotiations, the United States has launched a concentrated fire attack on its trade partners, in particular, the ROK and Japan. An offensive and defense battle between the United States and Japan over the issue of establishing a so-called "standard of numerical value" to objectively prove the extent of import of automobiles and the degree of opening of insurance markets continued to the current U.S.-Japan summit. However, the two sides failed to bring about satisfactory results. In view of the enormous imbalance in trade income and outgo between the United States and Japan, the U.S. offensive against Japanese markets has considerable persuasive power.

However, as for the case of the ROK which suffers red figures in trade with the United States, the indiscriminate U.S. offensive is not only unfair but also insolent. The the United States' act of picking a quarrel over the ROK court's decision for trial and over the postponement of the mobile telecommunications project, which was inevitable after the issue developed into a heated political dispute, makes one doubt its true intent, going

beyond pure economic interests. The ROK cannot import as many U.S. automobiles as U.S. imports of ROK automobiles because of the different standard of income of ROK consumers and their requirements, not because of trade barriers. Frankly speaking, it is not likely that the one who wants to buy a high-class U.S. automobile would give up its purchase because of a high income tax imposed at home. We are not in the position to revise our tax system merely for the sake of helping the sale of U.S. automobiles. We hope to maintain sound trade relations between the ROK and the United States and to promote mutual understanding on such relations. However, this cannot be achieved by unilateral pressure by one side and yielding to such pressure by the other. Trade is an economic issue. However, this issue would become very difficult to resolve if the people's ill feeling is involved. We ask the United States to exercise self-control so that ROK-U.S. trade relations would not develop into relations in which people's ill feeling is involved.

#### **Government Fixes Final Schedule To Open Markets**

*SK1402092094 Seoul YONHAP in English 0850 GMT  
14 Feb 94*

[Text] Seoul, Feb. 14 (YONHAP)—A meeting of the International Policy Coordination Committee chaired by Deputy Prime Minister Chong Chae-sok on Monday afternoon fixed the final schedule for Korean market opening necessitated by the Uruguay Round [UR] talks. The schedule lays down concrete ways to open Korean markets in such areas as farm products, industrial goods and services.

The final schedule will be sent to the Secretariat of the General Agreement on Tariffs and Trade (GATT) soon after being passed by the cabinet, rendering useless Korean farmers organizations' demand to re-open the Uruguay Round negotiations.

Member countries will submit their schedules to GATT by the end of March, with the final agreement on the UR talks to be signed in Morocco on April 12-15. The legislatures of GATT member countries must then ratify the agreement, which is to take effect on Jan. 1 or on July 1 of next year.

The schedule calls for industrial products' and fishery goods' range of tariff concessions to be expanded to 90 percent in number of items and to 87.5 percent in import amounts. The average tariff concession rate will be reduced to 8.1 percent from 17.9 percent in 1996.

As for the service sector, 78 items will fall under tariff concessions. In the previous schedule, which was submitted in October last year, such items numbered 80.

Also in the schedule, the Computerized Reservation System (CRS) and a future financial liberalization plan are offered as items subject to exemption of most favored nation (MFN) status.

### Ministry To Submit Tariff Schedule to GATT

SK1402054994 Seoul YONHAP in English 0524 GMT  
14 Feb 94

[Text] Seoul, Feb. 14 (YONHAP)—The government will submit to the General Agreement on Tariffs and Trade (GATT) on Tuesday South Korea's farm market opening schedule for 1,298 items under the Uruguay Round accord reached last December.

Revealing the schedule at a National Assembly Agriculture, Forestry and Fisheries Committee meeting on Monday, Agriculture, Forestry and Fisheries Minister Kim Yang-pae said it would not contain any cuts of tariff equivalent—the difference between the world and domestic prices—on rice.

Instead, under the Uruguay Round accord the government will allow a minimum rice market access of 1 percent of domestic consumption for imported rice in 1995 and increase the rate to 2 percent in 1999, 2.5 percent in 2000 and 4 percent in 2004, while not tariffing rice for 10 years starting in 1995, Kim added.

Regarding the 111 items due for tariffication under the accord, the schedule calls for a 10-percent cut in the tariff equivalents determined by the difference between world and domestic prices in the 1988-90 period.

For barley, potatoes and other items whose imports are currently minimal or zero, a minimum market access of 3-5 percent of domestic consumption will be permitted, while for corn, soybeans and others whose imports currently stand at more than 3 percent of domestic consumption, the existing tariff system will apply.

As for the "balance-of-payments" clause items such as beef, pork and chicken, the schedule will apply the tariff rates already agreed with the United States and other countries. On red pepper, garlic, onions and other "non-concessional" items, a 10-percent cut in the tariff equivalents is called for over the coming 10 years, Minister Kim said.

For 102 import-liberalized items such as mushrooms and carrots, the schedule sets forth a 10-percent cut in rates determined by multiplying their 1986 basic rates by 150 percent or more, while a special determining method will be used for the 175 tariff cut preference items, including fruit juice and sunflower seeds.

Tariff cuts on frozen strawberries, soybean sauce and 813 other items will be made on the basis of their basic rates in 1986 or their concessional rates.

Minister Kim said the schedule would also call for a 13.3-percent cut in farm subsidies and a minimum subsidy of 10 percent of farming costs over a 10-year period ending in 2004, reducing total subsidies from 1,718 billion won to 1,493 billion won. But subsidies for grapes, silkworms and dairy products will be less than 10 percent of the cost, he added.

### Government To Reduce Agricultural Subsidies

SK1102022694 Seoul HANGYORE SINMUN in Korean  
8 Feb 94 p 2

[Text] The government has decided to reduce its agricultural subsidies by 228.6 billion won, which accounts for 13.3 percent of current subsidies provided for items on the list for the government's subsidy reduction plan, over a 10-year period beginning in 1995. Accordingly, the government will reduce state subsidies for rice, barley, beans, corn, and rapeseed—its prices have been maintained by the government by purchasing these items at a set price and making up for the price difference—by 22.8 billion won a year.

The Minister of Agriculture, Forestry, and Fishery said on 7 February that it will reduce tariffs and tariff equivalences on 14 basic farm products, excluding rice, and on 1,312 farm products by an average 24 percent by 2004. Accordingly, tariff equivalences on barley, corn, beans, potatoes, sweet potatoes, red beans, green peas, and red ginseng will be reduced by 10 percent over 10 years.

### Trade, Industry, Energy Ministry Plan Downsizing

SK1402122894 Seoul YONHAP in English 0741 GMT  
14 Feb 94

[Text] Seoul, Feb. 14 (YONHAP)—The Ministry of Trade, Industry and Energy will eliminate 14 jobs for grade one through four officials by dismantling two bureau-class offices and five division-class offices under its downsizing plan announced on Monday.

Under the reorganization scheme to be implemented early next month, the three trade-related bureaus will be merged into two new bureaus—one responsible for multilateral trade negotiations and the other for regional trade.

A new office of the trade councilor will be set up under the direct control of the vice minister, with the councilor acting as a roving ambassador responsible for trade negotiations with foreign countries, Minister Kim Chol-su said.

The industrial policy bureau will be expanded into two bureaus—one for industrial policy and the other for industrial technology—while the four industry-related bureaus will be reorganized into three bureaus—one for machinery and materials, another for electronics and information and the last for textiles and chemicals. The four energy-related bureaus will be merged into three new bureaus—one for energy policy, a second for petroleum and gas and the third for electricity.

The Korean Trade Commission will dismantle the bureau-class office of administration and investigation.

**DLP Writes on Nuclear Facilities, Patriots***SK1402124094 Seoul YONHAP in English 1039 GMT  
14 Feb 94*

[Text] Seoul, Feb. 14 (YONHAP)—The ruling Democratic Liberal Party (DLP) on Monday called on the government to seek ways to possess nuclear reprocessing facilities for the peaceful use of nuclear.

In a policy material it prepared and distributed to its lawmakers in connection with the upcoming National Assembly session, the DLP objected the idea of turning the South-North denuclearization declaration into an international treaty. The party said that if the declaration were made an international treaty, it would restrict Korea's use of nuclear reprocessing facilities for peaceful purposes.

"The question of nuclear reprocessing facilities should be dealt with in linkage with the issue of denuclearizing whole Northeast Asia," the paper said.

Since the denuclearization declaration is not an inter-country treaty but an intra-national agreement, the paper said, the declaration cannot be made an international treaty.

The policy paper also voiced negativism toward the possible deployment of Patriot missiles in South Korea. It said there should be an ample review of the issue at the National Assembly before any decision is made on the deployment of Patriots.

The paper specifically noted that because of the geographical limitedness, there would be no sufficient time for Patriot anti-missile missiles to detect and intercept incoming North Korean Scud missiles. Besides, there is the suspicion that the United States seeks to deploy the missiles in South Korea as a prelude to the promotion of sales of their old-type Patriots to Korea.

The paper further indicated that the ruling party is not buying the reported offer of the Russian Government to produce sophisticated Russian weapons in a joint Russia-South Korea project. Such a joint scheme is prone to cause a confusion in South Korea's weapons system and accelerate the arms race between South and North Korea, it said.

**Splinter Parties Attempt New Negotiating Group***SK1202060794 Seoul YONHAP in English 0508 GMT  
12 Feb 94*

[Text] Seoul, Feb. 12 (YONHAP)—Splinter opposition party members and independent lawmakers will meet on Sunday to discuss creating a new negotiating group at the National Assembly, but prospects for realizing the plan in the near future have suddenly become hazy.

Leader Yi Chong-chan and member Chang Kyong-u of the New Korea Party, New Party for Political Reform Chairman Pak Chong-chan, Han Yong-su of the United

People's Party and independent Yang Sun-chik will get together to try and iron out their differences in organizing a third group.

Under the law, a negotiating group is eligible only if it contains more than 20 lawmakers. Currently, the floor is limited to the ruling Democratic Liberal Party and main opposition Democratic Party.

Initially, 21 concerned lawmakers were to hold a meeting on Monday to officially announce the idea and register the new floor group on the following day, when the ad hoc National Assembly session opens.

But the schedule has become unclear as a few lawmakers are now saying there is no hurry.

"Although we may not register immediately, we will hold the meeting on Monday as scheduled," Yi of the New Korea Party said.

"The date is a bit too close for comfort and I say we take our time," independent Yang said, adding that he will think about attending Monday's meeting.

**Businesses Increasing Investment in N. America***SK1202033794 Seoul THE KOREA HERALD in  
English 12 Feb 94 p 8*

[By staff reporter Yi Kyo-kwan]

[Text] Korean businesses are stepping up their investment in North America to adapt to changes in the region's business environment following the North American Free Trade Agreement (NAFTA), which went into effect Jan. 1. Particularly, Korean manufacturers of electronic appliances and autos are hurrying to set up locally incorporated plants in the region to meet the strengthened regulations for country of origin clause in the free trade agreement. The implementation of NAFTA is expected to affect Korean exports of electronic goods, autos and fabrics as the regulations for country of origin under the agreement have been toughened, business officials said.

For example, the new country of origin rules require exporters of color TV sets to the region to use locally produced color picture tubes (CPTs) for 14-inch or bigger sets if they want to enjoy tariff exemption.

In addition, the agreement demands that exporters of passenger cars, light trucks, engines and transmissions increase their use of locally produced parts from the present 50 percent to 62.5 percent by 2002 to gain tariff exemption.

Accordingly, trade officials here have urged Korean companies to establish locally incorporated production factories in the NAFTA region as soon as possible to stave off these "protectionist" measures.

Goldstar Co., one of the leading electronics manufacturers in the nation, will expand the annual production

capability of its Mexican plant, GSMX, from the current 700,000 color TV sets to 1 million by investing \$10 million, a company official said. To meet the country of origin regulations of the NAFTA countries, the electronics arm of the Lucky-Goldstar Business Group is groping for ways to enter the region along with two electronic parts makers, he said.

In a bid to expand its sales of electronic goods in the U.S. market, Goldstar has been restructuring its locally incorporated sales company, Goldstar Electronics International Inc., since 1991, the official said.

"Through the revamped sales network, we expect our exports to the big U.S. market to rise continually. After-sale services on Goldstar-made products also will be strengthened across the United States," he said.

The company also is planning to set up a \$100-million joint-venture factory to churn out TV cathode-ray tubes in Mexico with Samsung Electron Devices Co. and Orion Electronics Co., business sources said. TV cathode-ray tubes to be produced by the proposed Mexican plant could be used in color TVs produced by Samsung Electronics Co., Goldstar Co. and Daewoo Electronics Co., all of which hope to expand their market share in the United States, they said.

Samsung Electronics Co., the electronics arm of the Samsung Business Group, is expanding the annual production capability of its Mexican plant, SAMEX, from the current 1 million color TV sets to 1.2 million, a company spokesman said. To satisfy the local regulations for country of origin, the company has helped its Korean parts makers set up their own plants in Mexico, and the partners are now supplying SAMEX with main TV parts, he said.

Samsung Electro-Mechanics Co. is studying a plan to establish a wholly owned plant to produce TV tuners and speakers in Tihuanisi, Mexico, which is close to the border with the United States, at a cost of \$40 million, a company official said.

Korean automakers have been reluctant to set up locally incorporated plants in North America as the tariffs which the United States levies on imported autos are still low, business officials said. Recently, however, large Korean automakers including Hyundai, Kia and Daewoo have begun considering establishing production plants in the North American region now that NAFTA has taken effect, they said.

According to the officials, such proposed, locally incorporated auto plants will also help the automakers expand their exports to South American nations, which are growing rapidly following radical economic reforms.

Particularly, Hyundai Motor Co., the auto arm of the Hyundai Group, has already begun expanding its Canadian plant so that it can churn out 100,000 subcompact car Elantras annually from 1995, a company official said.

### 50% Increase in Electronic Goods Exports

SK1202011194 Seoul YONHAP in English 0041 GMT  
12 Feb 94

[Text] Seoul, Feb. 12 (YONHAP)—Exports of electronic products rose 50 percent in January over the same month last year, industry sources said on Saturday. The figure compares with 12 percent growth in January 1993 and, considering the good start, this year's aim of 16 percent export growth is likely to be attained with ease.

Samsung Electronics Co. led the pack with exports worth 630 million U.S. dollars, up 57.5 percent. Exports of home electronic appliances rose 39.1 percent to 320 million dollars and shipments of electronic parts such as D-RAM chips jumped 82.3 percent to 310 million dollars. This compares with Samsung's export target of 560 million dollars, as Japan's economic woes helped its rivals compete, a Samsung official said.

Goldstar Co. exported goods worth 250 million dollars, up 40 percent, with exports to China surging 133 percent. Six million washing machines were exported, up 100 percent, and 47 million color television sets were sent overseas, up 62 percent.

"The export strategy of selling mainly high-value-added products and securing new markets in the Middle East and Africa made a great contribution to the export increase," a Goldstar official said.

Daewoo Electronics Co. registered exports totaling 125 million dollars, up 42 percent, chalking up gains of 83 percent and 58 percent in the Middle East and China, respectively.

### Industry Reports Cumulative Car Exports Figure

SK1202061094 Seoul YONHAP in English 0547 GMT  
12 Feb 94

[Text] Seoul, Feb. 12 (YONHAP)—South Korea's cumulative car exports over the past 17-odd years had surpassed the 4-million mark as of the end of January, according to the Korea Automobile Manufacturers Association.

In July 1976, Hyundai Motor Co. made the country's maiden car exports when it shipped some Pony's to Ecuador. After that modest beginning, South Korea had exported a cumulative total of 4,004,688 cars by the end of last month.

In 1993, exports jumped 40 percent from the year before to an annual high of 638,544, bringing the cumulative total at last year's end to 3,956,990.

Exports last month totaled 47,698, causing the cumulative total to break through the 4-million mark.

South Korea needed 11 years and two months to export 1 million cars, achieved in September 1987, followed by two years to hit the 2-million mark in September 1989, two years and eight months to pass the 3-million mark in

May 1992, and then one year and eight months to reach the 4-million mark in January 1994.

In 1985, exports first hit the 100,000-unit level, with a record of 123,110, and the annual achievement reached the 500,000-unit level for the first time in 1987 when Hyundai's Excel-model cars swept the U.S. market.

In cumulative export records by model over the past 17 years and seven months, Hyundai's Excel overwhelmed

all others with 922,526, followed by Pride (Kia) with 544,788, Lemans (Daewoo) with 396,946, Presto (Hyundai) with 310,503, Pony-Excel (Hyundai) with 252,757, Elantra (Hyundai) with 234,225 and Pony I and II with 217,496.

The association predicts that exports will increase 27.7 percent to 815,000 units in 1994 and that the country will begin exporting 1 million cars a year in 1995.

## Burma

### U.S. Congressman, UNDP See Aung San Suu Kyi

*BK1402070894 Hong Kong AFP in English 0641 GMT 14 Feb 94*

[Text] Rangoon, Feb 14 (AFP)—A US Congressman and a UN official met Burmese dissident Aung San Suu Kyi here Monday—the first outsiders to see her since she was put under house arrest in July 1989. Five people, including Congressman Bill Richardson (Democrat-New Mexico) and the United Nations Development Program resident representative in Rangoon, were allowed to see Aung San Suu Kyi, a reliable source said. She had previously had contact only with immediate family members or security officials at her heavily-guarded lakeside home on the outskirts of Rangoon.

The meeting was apparently filmed, as a crew from Burmese state television was seen entering the premises at around 9 a.m.

Richardson, who arrived in Rangoon Sunday at the invitation of the ruling military junta, the State Law and Order Coordination Council (SLORC), is a member of the Congressional committee monitoring human rights under the Helsinki agreement.

### Khin Nyunt Receives Japanese Senator, Delegation

*BK1102151494 Rangoon Radio Burma in Burmese 1330 GMT 11 Feb 94*

[Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], received Japanese Senator Mr. (Shigito Nagano) and his party, who are currently in Yangon [Rangoon], at the Ministry of Defense's Dagon House at 1300 this afternoon.

Brigadier General Abel, minister of national planning and economic development; U Ohn Gyaw, minister of foreign affairs; Thura U Aung Htet, director general of the Protocol Department; and Takashi Tajima, ambassador of Japan to Myanmar, were also present at the meeting.

### Deputy Prime Minister Receives Thai Counterpart

*BK1102145894 Rangoon Radio Burma in Burmese 1330 GMT 11 Feb 94*

[Text] A Thai delegation led by Deputy Prime Minister Mr. Amnuai Wirawan paid a courtesy call on Vice Admiral Maung Maung Khin, member of the State Law and Order Restoration Council and deputy prime minister, at the latter's office at the Secretariat Building at 1030 this morning. During the meeting, they held a frank and cordial discussion on Thai economic investment in Myanmar [Burma], banking, and other matters related to economic cooperation.

### Than Shwe Message on Union Day Celebration

*BK1202131094 Rangoon Radio Burma in Burmese 0130 GMT 12 Feb 94*

[Message by Senior General Than Shwe, chairman of the State Law and Order Restoration Council, on the 47th anniversary of union day, which was observed at the People's Square in Yangon [Rangoon] on 12 February—read by announcer]

[Excerpts] Esteemed national brethren of the union: The 12th of February 1994, the 47th anniversary of union day, is an auspicious occasion. Forty-seven years ago on this day, leaders of our national races were able to sign the Panglong agreement, the national unity and solidarity accord. The Panglong agreement, the result of national unity, became a source of strength for the anti-imperialist and national liberation struggle. [passage omitted]

Even now neocolonialists and their dependents are still making attempts using various tactics to manipulate and interfere in our internal affairs and to cause the disintegration of national unity. In such a situation, our national brethren must be vigilant in countering the neocolonialist threat. It is evident to all that the State Law and Order Restoration Council [SLORC], since the time it assumed responsibility, has been giving priority to the affairs of the national races while upholding the three main national causes: non-disintegration of the union, non-disintegration of national solidarity, and perpetuation of sovereignty.

In drawing up the new constitution, leading to a new democratic state, the national convention has also been able to formulate the basic principles which guarantee the unity and consolidation of the national races. It is also to be noted that the basic principles that guarantee the welfare of the national races are included in the 104 basic principles laid down by the national convention, which are to be framed in the new constitution. [passage omitted]

As all the national races know, the SLORC, with a view to forging a firm, solid national unity, has been extending an invitation to the armed groups in the jungle. It is the right time for the armed groups in the jungle to give up their armed struggle—which is impeding the development of their own people—return to the legal fold with dignity, and work vigorously for the welfare of the union and their own people. [passage omitted]

I would hereby like to hope that all the national races will be able to work for the welfare of the union more extensively from the beginning of this significant and noble occasion of the 47th anniversary of union day, while upholding the four objectives of the union day: to ensure the perpetuation of the union, to keep all the national races ever united, to involve all the national

aces in striving for the emergence of the state constitution, and to bring about the national development and the emergence of a peaceful, prosperous and modern nation.

#### **Khin Nyunt on School Discipline, Destructiveness**

*BK1102093794 Rangoon Burma Television Network in Burmese 1330 GMT 10 Feb 94*

[Excerpts] Lieutenant General Khin Nyunt, chairman of the Education Committee of Myanmar [Burma] and secretary-1 of the State Law and Order Restoration Council [SLORC], met and delivered an address to the rectors and principals of the universities, colleges, and institutes at a meeting hall of the Central Council of Universities of the Department of Higher Education at 1430 today. [passage omitted]

He said the rectors and principals of the universities, colleges, and institutes play an important role in making the education policy effective and helping the peaceful pursuit of education. To further the peaceful pursuit of education and to maintain discipline in students, he added, the teachers from colleges and universities were given refresher courses at the Institute of Public Service in Phaunggyi. He told the rectors and principals to oversee and implement the pragmatic use of experience and knowledge which the teachers had gained at the refresher courses. He also said that destructive elements were waiting in the wings, eyeing any weakness in the administration and management in order to disrupt the peaceful pursuit of education. That is why responsible personnel need to plan and to make arrangements on how it should be prevented. If a problem occurs, either big or small, the respective parties have to coordinate and present the matter to the higher authorities and resolve the problem at the same time. He added that teachers will achieve their goal if they always review the procedures of maintaining discipline for the peaceful pursuit of education and work under the management and supervision of the rectors and principals. He said students needed to be guided and progressively organized so that there would be better maintenance of discipline in the schools. The student youths as citizens also have a responsibility to respect the country's laws, regulations, and by-laws, which are respected by the public. [passage omitted]

#### **NLD Submits Report to National Convention**

*BK1302155994 London BBC in Burmese to Burma 1330 GMT 11 Feb 94*

[Report by Larry Jagan from the "Current World Affairs" program]

[Excerpts] Dear Listeners: At the beginning of the week, the National League for Democracy [NLD], the opposition party in Burma, presented its views at the National Convention. In an 80-page report, it expressed its view on each topic under discussion by nearly 700 delegates at

the National Convention. [passage omitted] Government officials are now scrutinizing the NLD report before it can be presented by National Convention Chairman U Aung Toe. The NLD, which won a landslide victory with 80 percent of the votes in the 1990 general election, did not even get 20 percent of the delegate representation at the National Convention. Larry Jagan reports from Rangoon that some NLD members are putting pressure on their leaders to boycott the National Convention.

Dear Listeners: The NLD led by U Aung Shwe is now concerned about being deregistered. That is why it is certain that the NLD will not boycott the National Convention. In December, before the resumption of the National Convention, the authorities warned the leader of the NLD and one or two other opposition leaders that their parties will be deregistered if they boycott the National Convention. [passage omitted] Another NLD source believes that Daw Aung San Suu Kyi, before being put under house arrest, told U Aung Shwe to work within the framework of the multiparty regulations. Now the delegates who support U Aung Shwe's position suggested that the NLD carry on with the present situation to allow the party to participate in the future election which will be held for sure once the new constitution is completed. At the same time, it is also true that there are many in the opposition movement who believe that the NLD will lose its credibility if it continues to do what is being directed by the rulers. They also believe that, as a result, the NLD will face the danger of losing the public support it amassed in the 1990 general election. [passage omitted]

According to the inner circle of the National Convention, many new suggestions are presented in the NLD report. Although the NLD has accepted the presidential system, it is still firm on its demands: The parliament must be sovereign and the president must be a representative elected by the people. The NLD source said the NLD has rejected the paragraph which says the president must be a national leader and proposed that the presidential candidate must be a highly educated person. According to the inner circle of the National Convention, the NLD also said that only representatives elected by the people must be in the electoral college, which is responsible for electing the president, and these representatives must be equally elected from the two chambers of the parliament. It is totally contradictory to what U Aung Toe, chairman of the National Convention Convening Work Committee, said during the resumption of the convention at the beginning of last month. In his speech, he said two-thirds of the electoral college, which is responsible for electing the president, is to be elected by the pyithuhluttaw representatives [parliamentarians], while the remaining one-third is to be elected by the commander-in-chief of the Defense Services. It is also mentioned that each chamber must elect one presidential candidate each while the third presidential candidate will be elected by the commander in chief of the Defense Services. Once the president is elected the

remaining candidates will become vice presidents. If the president steps down, one of the vice presidents will be elected president. But the NLD said there should be only one president and one vice president, and it is still firm on its demand that both must be elected by the people. [passage omitted]

Rangoon residents believe that the military rulers are trying their best to complete the procedures of the National Convention as soon as possible. [Words indistinct] also believe that the Burmese Government has a great desire to make sure that the NLD participates in the National Convention until the completion of the constitution so that the NLD cannot blame the government for being excluded at the convention. A source close to the NLD says the NLD is actually trying to prolong National Convention procedures using delaying tactics. [passage omitted]

## **Brunei, Malaysia & Singapore**

### **Malaysia**

#### **Leadership Members Comment on Bosnia Issues**

##### **Minister Backs Air Strike Threat**

*BK1402150794 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 14 Feb 94*

[Text] Malaysia today called on the United Nations to find a fair and comprehensive solution to the conflict in Bosnia-Herzegovina. It must solve the conflict in a comprehensive manner rather than merely rescuing Sarajevo, which is only part of the conflict. Speaking to reporters in Kuala Lumpur today, Foreign Minister Abdullah Ahmad Badawi said the United Nations must find a fair, comprehensive, and lasting solution to the conflict. It must also lift the arms embargo against Bosnia to enable Bosnian people to defend themselves.

The minister was commenting on an upcoming UN Security Council meeting on Bosnia, scheduled for this week. He described the NATO threat to launch air strikes against Serbian positions as a positive step. Sarajevo is not the only target of continued bombardments by Serbian terrorists; other cities are also under similar attack. Bosnia-Herzegovina is no longer a minor case for Europe, but an international issue involving human rights, democracy, and the right to exist as a sovereign state.

##### **Additional Troops May Be Sent**

*BK1402123694 Kuala Lumpur NEW STRAITS TIMES in English 12 Feb 94 pp 1, 2*

[By Sufi Yusof]

[Excerpts] Kuala Lumpur, Fri. [11 February]—Malaysia is prepared to send additional troops to Bosnia-Herzegovina following the Organisation of Islamic Conference's [OIC] offer of 10,000 troops to beef up the United Nations peacekeeping contingent there. It is proposed that the troops will come from Malaysia, Jordan, Pakistan, and Egypt. Previously, the UN had asked for 7,600 troops from the OIC. [passage omitted]

Defence Minister Datuk Sri Najib Tun Razak said any additional troop deployment would have to be sanctioned by the world body. "We will abide by the decision of the OIC, but we must get the green light from the UN," he said in a telephone interview from his house here today. Najib was not surprised that the OIC Contact Group at its Jakarta meeting yesterday made the offer of additional troops. "The move to send additional troops from the OIC member countries is an on going discussion. "We have discussed this issue many times before and we are ready to offer more troops for UN duty in Bosnia." [passage omitted]

Malaysia has about 1,500 troops serving with the UN Protection Force (UNPROFOR) under the command of Kol. [Colonel] Hashim Hussein.

Asked about the total number of troops which Malaysia was willing to send to Bosnia-Herzegovina, Najib said it was premature to give a figure. However, Defence Ministry sources said Malaysia could send up to three battalions, but this would depend on logistical support. "The question is whether we will have the ability to support the troops with the necessary equipment, winter clothing and boots, medicine, engineering supplies, and other vital logistics to sustain operations in such a harsh environment there," said a source.

Foreign Minister Datuk Abdullah Ahmad Badawi, meanwhile, said Malaysia wants the UN Security Council to allow member countries to openly debate the atrocities and ethnic cleansing by the Serbs in Bosnia-Herzegovina. Such a move would be against the norm of closed-door sessions held by the council.

Abdullah said that Malaysia's permanent representative to the UN, Tan Sri Razali Ismail, would liaise with the NAM Coordinating Group Committee and the OIC Contact Group to pressure the council for the open debate. He said the council was expected to hold its meeting on the Bosnian issue in a couple of days. The chances of the meeting being convened were good as he understood that Russia, a member of the council with veto powers, had shown interest in having such a discussion, he added.

Abdullah was certain the North Atlantic Treaty Organisation (NATO) would not launch an air strike against Serb artillery positions besieging Sarajevo.

Meanwhile, [Pakistani Foreign Minister] Asif said moves by NATO to lift the siege of Sarajevo fell short of expectations.

"In expressing their (the OIC Contact Group's) disappointment at the lack of resolute action in the past, they underlined the imperative of the immediate lifting of the siege of Sarajevo and carrying through the necessary actions foreseen in the latest NATO decision," he said.

He also said the contact group had agreed to support a proposal by Indonesia's president, Suharto, the current NAM chairman, for an appropriately structured international conference on Bosnia-Herzegovina.

"We welcome the NATO chairman's decision to conduct a meeting through the NAM Coordinating Bureau in New York to demand more effective measures be undertaken by the UN," he said. [passage omitted]

### **Mahathir Doubts Strike Threat**

*BK1202145594 Kuala Lumpur NEW STRAITS TIMES in English 11 Feb 94 p 1*

[Excerpts] Kuala Lumpur, Thurs.—Datuk Sri Dr Mahathir Mohamed said he did not believe that the North Atlantic Treaty Organisation (NATO) would carry out its threat to launch against Serbian forces, adding that the Serbs would continue with their ethnic cleansing. [passage omitted]

Dr Mahathir said this when asked by reporters to comment on the possibility of NATO military intervention in Bosnia-Herzegovina. "It (NATO) won't attack... I don't believe that NATO will launch any strikes... it will wait for the 10-day deadline to pass and then come up with an excuse that the Serbs regret their action and promise not to do it again. After this, the Serbs will continue with their ethnic cleansing," he said at the Science, Technology and Environment Minister Datuk Law Hieng Ding Chinese New Year open house here today [10 February].

Asked about Russia's suggestion that Sarajevo be administered by the United Nations, Dr Mahathir said Russia should first of all tell the Serbs to withdraw. Only after this could there be discussions on such a topic, Dr Mahathir said. "What is important is for the Serbs to stop the attacks. But I don't believe that the Russian or NATO's warning would compel the Serbs to stop their policy of ethnic cleansing. "Everyone knows—NATO knows, the Americans know—that when they issue a threat they will not carry it out... and so the Serbs will continue with their killing," the prime minister said. [passage omitted]

### **First Batch of British Hawk Jets Expected**

*BK1402120394 Kuala Lumpur BERNAMA in English 0602 GMT 14 Feb 94*

[Excerpts] Kuala Lumpur, Feb 14 (OANA-BERNAMA)—Arrangements are being made to fly back the first of 10 British-made Hawk 100 advanced jet trainers purchased by Malaysia at the end of the month, Royal Malaysian Air Force (RMAF) officials said Monday. RMAF pilots would be flying the aircraft from

Britain to its new home at the RMAF air base in Butterworth, better known as Malaysia's fightertown. The officials said the nine other Hawk 100 would be delivered by British Aerospace (BAe) in batches until the end of the year. [passage omitted]

The Hawk 100s were bought under the RM [Ringgit Malaysia] 2.4 billion memorandum of understanding [MOU] signed between Malaysia and Britain in 1988. The RMAF also ordered 18 hawk 200 aircraft under the same agreement. The RMAF would be the first air force in the region to fly the British-made aircraft. Indonesia is reported to be buying the aircraft too. [passage omitted]

The MOU also provides for training of RMAF pilots and ground crew, including technicians, under an offset programme. A total of 69 RMAF technicians would be attending 20 types of courses. Four selected RMAF pilots, who completed a three-year training programme, would become instructors on the creation of a new squadron at the Butterworth air base. [passage omitted]

In December 1990, Malaysia reached agreement under the same MOU for a rm400 million offset deal involving technology transfer to Malaysian defence-related industries such as Syarikat Malaysia Explosives, the country's ordnance manufacturer and AIROD Sdn. Bhd. [Company Limited], Malaysia's privatised aircraft and overhaul facilities.

The offset programme, for the local manufacture of air delivered ordnance and ammunition (bombs and missiles), ground support equipment, aircraft components, repair and overhaul services would enable Malaysia to be self-sufficient in the support of the fleet of Hawk aircraft.

### **South Africa Opens Embassy in Kuala Lumpur**

*BK1202100594 Kuala Lumpur BERNAMA in English 0626 GMT 12 Feb 94*

[Text] Kuala Lumpur, Feb. 12 (OANA-BERNAMA)—South Africa has opened its embassy in Malaysia following the decision by Kuala Lumpur and Pretoria to establish diplomatic and trade relations last November.

The temporary office of the embassy, which was officially established on Dec. 6 last year, is at the Kuala Lumpur Hilton, here. It is headed by Charge d'Affaires Henri S. Gaubenheimer.

Second Secretary (Administration) Andre Lizamore told BERNAMA Saturday the embassy was in the process of identifying appropriate premises for the chancery and official residence and hoped to move into the new buildings in April.

Meanwhile, Third Secretary and Deputy Head of the South African Mission to Malaysia, Jan Groenewald, said in a statement that with the establishment of the embassy here matters pertaining to relations between South Africa and Malaysia would no longer be dealt with by the South African Embassy in Singapore. Groenewald

was the officer at the embassy in Singapore dealing with Malaysia. He will move to Kuala Lumpur on March 1.

### **Commentary Views Economic Ties with Ukraine**

*BK1202155894 Kuala Lumpur Voice of Malaysia in English 0800 GMT 12 Feb 94*

[Text] Ukraine was once known as having an active (?share) among the former Soviet states and becoming a prosperous economy. Two years after gaining independence, this assessment has yet to bear fruit. It is still wrestling with what is a difficult process: to become a market economy. Nevertheless, its government is committed to bring economic development to the country as quickly as possible. As such, the recent visit of Ukraine's deputy foreign minister of external economic relations to Malaysia is a step in the right direction.

The move would help initiate cooperation between the two countries as well as enhance mutually beneficial economic activities. The minister, A.D. Makarenko, said that his country was offering attractive investment incentives to foreign investors. Expanding its foreign trade and deepening the industrial base could perhaps be the right target in providing a boost to the country's economy.

Malaysian companies, having the expertise in certain manufacturing operations should take advantage of these incentives through [word indistinct]. This is because, through Ukraine, they could make inroads into the vast export markets of the Commonwealth of Independent States.

Ukraine also has a well educated labor force, abundant natural resources, and market accessibility into neighboring countries. Areas of cooperation Ukraine is looking for is in skilled production and electrical-related equipment, or the areas of hotel construction as well as hotel management.

Joint ventures could facilitate the transfer of technology. However, whatever cooperation is finalized, should be mutually beneficial. There is a lot the former Soviet state could also offer to Malaysia, including defense technology capability and aircraft manufacture. For example, the world's largest aircraft, the An-225 [word indistinct], space shuttle carrier, and the world's second largest aircraft, the An-124 (Ruslan) are made in Ukraine.

Given such credentials, the technology could be used to set up joint ventures in Malaysia to manufacture aircraft parts. At the same time, perhaps it could play a role in lending expertise in Malaysia's development of the space industry.

Makarenko has indicated his country is keen to share its expertise in space program and aircraft manufacturing especially in the area of large cargo planes. This being the case, there is definitely room for two-way investments. Malaysia too could offer its expertise in the successful

privatization of government agencies. This is timely as Ukraine is in the process of privatizing about 40,000 projects this year.

It is hoped that a trade agreement is formalized between the two countries soon. This would pave the way for increased commercial linkages and the setting up of joint ventures. The move would go toward giving the Ukrainian economy a badly needed boost. More than anything else, Ukraine needs a great infusion of economic assistance. Malaysia could very well provide that economic assistance.

### **Parties Intensify Election Campaigns in Sabah**

#### **BN Makes Campaign Promises**

*BK1302110094 Kuala Lumpur Voice of Malaysia in English 0600 GMT 13 Feb 94*

[Text] As the Sabah polls are drawing nearer for this Friday and Saturday, both Malaysia's National Front party, BN, and the Sabah United Party, PBS, not to mention the independents, are intensifying their campaigns, each confident of victory. The BN is set to topple the PBS ruling party through a master plan for development and the creation of a new Sabah, transforming the state on par with other states in peninsular Malaysia. Through BN manifesto and the new Sabah slogan, the BN has pledged, among other things, peace; stability; prosperity; high economic growth; and by the turn of the century, a per capita income of 10,000 [Malaysian ringgit] a year; eradication of poverty, which is now 23 percent of the population; and the setting up of a university.

The PBS has expressed confidence through its manifesto that Sabah is for the strong-willed people of Sabah and continuity in the voters would return it to power for a fourth consecutive term.

Political observers and journalists following the BN and PBS campaigns said that both—the BN and PBS—have a 50-50 chance of winning the election.

Deputy Prime Minister Datuk Sri Anwar Ibrahim, who is campaigning in Sabah for the second time since nomination day on 7 February, is confident that the BN would wrest power from the PBS. He has said that feedbacks received from all the 48 constituencies showed that the BN election machinery had been able to counter the opposition claim and its own message had been accepted by the voters.

#### **Ibrahim Sees PBS Anti-Islamic Stand**

*BK1102150094 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 11 Feb 94*

[Text] Since the time the PBS [Sabah United Party] began to rule the state, it has not only stalled development programs, but has also adopted an anti-Islamic stand. In contrast, if the National Front rules Sabah after the 18-19 February elections, it will respect and provide

equal treatment to all religions. Speaking at a public gathering at the (Kinaru Papar) junior high school, Deputy Prime Minister Anwar Ibrahim said the National Front does not give priority to a single ethnic group, but attaches great importance to all ethnic groups.

The deputy prime minister also criticized PBS leader Datuk Pairin, who was found guilty of corruption and is interested only in his own interests and those of his family and immediate circle of friends, without paying attention to the plight of the people. Datuk Anwar said the upcoming elections will be a golden opportunity for the Sabah people to get rid of Datuk Pairin and the PBS if they want a change in Sabah political leadership. He said he is satisfied with the support given by local voters and believes that Sabah will get a new government after the elections if all voters give their support to the National Front.

### **PBS Unveils Manifesto**

*BK1102031294 Kuala Lumpur NEW STRAITS TIMES in English 9 Feb 94 pp 1, 4*

[Excerpts] Kota Kinabalu, Tues [8 February]—A minimum RM700 [Malaysian ringgits] million allocation for low-cost housing, 123 schools, a university and massive development programmes to increase the per capita income of the people in Sabah to RM10,000 by the year 2000 are the emphasis of the Barisan Nasional manifesto unveiled today. [Passage omitted covered by referent item]

The main theme of the Parti Bersatu Sabah [PBS] [United Sabah Party] manifesto, unveiled by party president and Chief Minister Datuk Sri Joseph Pairin Kitingan this morning, is the recurring thorny issues in State-Federal ties since PBS came into power in 1985.

The key points in the PBS manifesto are similar to those used in the last three elections. They include a more equitable sharing of petroleum revenue, and safeguarding Sabah's constitutional rights.

The PBS says it will pursue the proposal to set up a university and a separate TV station. It also emphasises that the party will continue to seek from the Federal Government a long-term solution to the Philippines' claim on Sabah, more effective ways to prevent the inflow of illegal immigrants and manage those in the State. [passage omitted]

This time the 13-page manifesto also makes subtle references to Umno's [United Malays National Organization] presence in Sabah. In an apparent reference to Umno and Federal leaders, it says the party will seek to free Sabahans from fear of political domination and eliminate any tendency from any quarter to exert their "tyranny over the minds of man by one person or group from within or out side Sabah". [passage omitted]

The 14-point economic programme outlined aims at further diversifying, adding value and restructuring

Sabah's economic base and enhancing its competitiveness in the international market. It will continue to create a conducive environment for private sector growth, intensify training and development of entrepreneurship and technical skills.

When pointed out that the PBS development agenda paled in comparison with the BN's plans, Pairin said the promise was not new.

"If we were in the Federal Government, we would do more than that. All these promises should have been done from 1963 (the year Sabah joined Malaysia). [passage omitted]

He claimed that the BN manifesto was an election ploy and that the only thing new was to "put in writing all these promises"

He blamed the BN for the inferior infrastructure in Sabah and the shortage of personnel such as doctors saying that the BN's record in Sabah was poor.

On the State-Federal relations, he said the PBS would seek sincere and mutual understanding towards better a political relationship with the Federal Government and enhance national integration and unity. [passage omitted]

### **Singapore**

#### **Ministry Welcomes Ultimatum Against Serbs**

*BK1202151894 Singapore Singapore Broadcasting Corporation in English 1400 GMT 12 Feb 94*

[Text] Singapore has welcomed the ultimatum issued by NATO to the Bosnian Serbs. In a statement, the Foreign Ministry said the stakes in Bosnia are high for the international community and failure to effectively implement the latest ultimatum would lead not only to more innocent lives lost in Bosnia, it could also send a wrong signal that the international community is now prepared to tolerate and accept aggression.

The Foreign Ministry notes that the immediate response of the Bosnian Serbs has been to call for a cease-fire around Sarajevo. However, the ministry adds that the Bosnian Serbs have established a cynical pattern of bending to international pressures but immediately reverting to their indiscriminate attacks when the threat of military action is lifted.

#### **Companies Praise End to U.S. Embargo on Vietnam**

*BK1002155494 Singapore THE STRAITS TIMES in English 10 Feb 94 p 31*

[By Douglas Wong]

[Text] Singapore companies believe the lifting of the U.S. trade embargo on Vietnam will bring increased opportunities, more than increased competition.

With their headstart and good relationship with the Vietnamese, the companies here believe they can only benefit from the greater influx of U.S. technology, funds, and resulting business activities.

One such company is Asia Pacific Breweries [APB], which has a U.S.\$22-million (Singapore \$34.76-million) brewery investment in the country. Said its spokesman: "We welcome the competition as this will encourage the beer market to grow even faster. We will certainly be working harder, but at the end of the day, APB can only benefit from such accelerated growth".

Sembawang Engineering's executive chairman, Mr. Cheong Quee Wah, said that there will now be additional sources of technology and funds for infrastructure projects in Vietnam. He added that there is enough business for everyone there. He said that Sembawang Engineering, which is developing an \$80 million [Singapore dollars] power plant there, has established close relationships with the Vietnamese, and could even co-operate with American companies in infrastructure projects in the future.

The Koh Brothers Group, which has just completed a hotel project in Ho Chi Minh City and is planning to work on road and canal projects there, also sees only greater opportunities. Its business manager, Mr. Joseph Koh, said: "The lifting of the U.S. embargo will help to increase all business activities in Vietnam, and we believe that as one of the early birds, we have developed a knowledge of business practises there."

Mr. Jen Shek Voon, a director of Ernst & Young Consultants, believes that Singapore can now capitalise on its reputation as an honest broker and effective deal maker in Vietnam better than anyone else. "Finally, all Singapore-based companies will be able to utilise the excellent government-to-government relationship that we have with Vietnam," he said. Agreeing, Mr. David Howell of international law firm Baker McKenzie said: "Singapore is well placed to take advantage of its partnering strategy with multinationals to penetrate Vietnam".

And Ms. Cheah Swee Gim, a partner with local law firm Chor Pee & Co. said her firm was confident that it would hold its own against U.S. law firms going into Vietnam. "Some potential foreign clients have told us that they think a Singapore law firm understands the social and bureaucratic culture of Vietnam better than others," she noted. Chor Pee opened licensed representative offices in Hanoi and Ho Chi Minh City last May, and is looking to employ more lawyers to work there, she said.

But of course the outlook for Singapore companies in Vietnam is not all rosy. Cycle & Carriage Ltd [CCL], while bullish on its 50-percent stake in a joint venture to operate a car rental fleet and build a modern vehicle workshop in Ho Chi Minh City, sounded a cautionary note on broader business prospects there. CCL director Philip Eng cautioned that "progress in a socialist environment will be slow and real progress will only be seen at the turn of the century".

### Daily Views Improved Malaysia-Philippines Ties

BK1102112594 Singapore THE STRAITS TIMES in English 10 Feb 94 p 20

[Editorial: "Better and Better in ASEAN"]

[Excerpts] When President Fidel Ramos visited Malaysia last year, he was the first Philippine leader to do so after 25 years. Last week, Datuk Sri Dr. Mahathir Mohamed returned the courtesy. Not since Tunku Abdul Rahman had a Malaysian prime minister been there on an official visit in 30 years. Such reserve showed in the modest trade links: the two countries did no more than [Singapore dollar] \$555 million worth of business in the first nine months of last year. [passage omitted] Talking to Filipinos in Manila, one gets the feeling that more than a few do not share an ASEAN destiny. It is not insularity, but an apartness built on the country's Spanish-American past and Christian outlook. That is changing, however.

Improved relations with Malaysia are a key element of that process. This impinges on ASEAN cohesion, as the number of territorial disputes, apart from the one on Sabah, are a constant reminder that good neighbourliness cannot be taken for granted. The Spratlys dispute concerns three ASEAN nations; Malaysia and Indonesia have not settled the issue of Sipadan and Ligitan; while Malaysia has not given up its claim on Pedra Branca. Sabah, lest it be forgotten, is not a closed file. There are complexities which will take much negotiation and goodwill to disentangle. Neither Dr. Mahathir nor Mr. Ramos pretend that a settlement can be had in their lifetime. [passage omitted] What bodes well for ASEAN is that after three decades, Malaysia and the Philippines accept that, one, the Sabah resolution need not be tied to a time-frame, and two, that economic co-operation should not be held hostage to it. The Sabah question, as agreed upon before Dr. Mahathir went to Manila, is now held in suspended animation. [passage omitted]

What is "positive" was what the Mahathir visit was about: trade and investment links. If there is sustained economic expansion, no political problem can remain intractable for long. It was significant that on the Malaysian side, the initiative came from the private sector which was a big part of the Mahathir party. The nine memoranda of understanding signed with Philippine interests cover infrastructure work that the Filipinos need badly to ignite growth: highways, hotels, power and water plants, rail systems. Intriguing was the Malaysian offer of a financing instrument called the Bilateral Payments Arrangement (BPA) to boost trade. Under this system originally meant for the Group of 15 developing countries, importers and exporters are guaranteed payment through the central banks of trading partners. Malaysia has BPA links with 21 countries with trade amounting to [Malaysian dollar] \$4 billion. It will be a help to the Philippines. Less clear is the concept of an East Asian growth crescent covering Mindanao, Brunei, the East Malaysian states, and eastern Indonesia. If it

takes off it will energise development on a big scale, on a par with the ASEAN free trade area scheme. The framework and growth mechanisms will take time to evolve. Conditions are favourable, however, such as the greatly reduced threat from the Muslim separatists and jungle guerillas in the Philippines. This may be Manila's biggest contribution to ASEAN and to itself.

### Cambodia

#### VGNUFC: U.S. Assisted in Anlung Veng Attack

*BK1202101194 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 11 Feb 94*

[Excerpts] According to various diplomatic sources, the U.S. Embassy in Phnom Penh has been in close contact with the two-headed government and the Vietnamese communist puppets' General Staff officials, especially Ke Kimyan, Pol Saroeun, and Long Sopheap, in order to follow up and set plans for their military operations against the people and the national resistance forces in various areas, particularly the Route 68 region from Samraong to Anlung Veng. [passage omitted]

The same sources reported further that the Americans know perfectly well that there are a large number of Vietnamese forces in the puppet army's General Staff, the various military regions, the divisions, and the special intervention units. The Americans have even known about the Vietnamese communists' activities in arranging for the puppet colonels and generals to study in Vietnam in January and setting up plans for continuing military operations in the current dry season.

This proves that the Americans have joined hands with the Vietnamese communists; that is, while the Vietnamese communists openly stage the play, the Americans act as the paymaster behind the scenes. Openly, the Americans have kept claiming that there are no Vietnamese in Cambodia. This is a concrete activity in line with the U.S.-led Western alliance's policy and strategy to smash the Cambodian national resistance forces, especially the Democratic Kampuchean forces, so that they can scramble for the flesh and blood of the Cambodian nation and people in the interests of their economic strategy and other interests.

Actively following the aforementioned policy and strategy, they have inducted the ANKI forces of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party and the troops of the other Paras [former non-communist resistance groups] into the Vietnamese communist puppet forces and sent them to launch operations against the Cambodian people and national resistance forces since August 1993. Since then, they have launched operations at Phnum Chhat, Stoung, Kompong Thom, Preah Vihear, Siem Reap, Samraong, Oddar Meanchey, Anlung Veng, and various other areas. This is why the flames of war continue to blaze in Cambodia. This is

why the Vietnamese communists have been so bold and kept flowing into Cambodia without any fear.

However, the history of previous centuries and the current new developments clearly attest to the truth that the aggressors will certainly face shameful defeat vis-a-vis a nation and people who dare to fight for the survival of their country and race.

#### 'Many Problems' Seen in SRV Relationship

*BK1002150694 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 10 Feb 94*

[Text] An official from the Kingdom of Cambodia's Foreign Affairs and International Cooperation Ministry has said that SRV Foreign Minister Mr. Nguyen Manh Cam will pay a three-day official visit to the Kingdom of Cambodia—from 16 to 18 February—accompanied by senior Vietnamese officials. The official said that the official visit is being made at the invitation of Prince Kromluong Norodom Sirivut, minister of foreign affairs and international cooperation, and will pave the way for the Vietnamese prime minister to visit Cambodia in March.

Analysts say the exchange of visits is necessary for the sake of relations between the two countries following the Thai prime minister's visit to Cambodia. Vietnam and Cambodia are entangled in a great many problems, such as the problem of Vietnamese settlers in Cambodia and the border problem, not to mention past racial problems. It is expected that the two countries will be able to maintain good relations for the sake of their own development.

#### Ranariddh Urges Khmer Rouge Soldiers To Defect

*BK1302141394 Phnom Penh National Radio of Cambodia Network in Cambodian 0430 GMT 13 Feb 94*

["Appeal by Samdech Krompreah Norodom Ranariddh, first prime minister of the Kingdom of Cambodia, to officers and soldiers of the Democratic Kampuchea faction—recorded]

[Excerpts] (?Last week), after the Khmer Royal Armed Forces [KRAF] seized full control of important positions of the Khmer Rouge [KR] faction in Siem Reap, Oddar Meanchey, Preah Vihear, Kompong Thom, Banteay Meanchey, and especially at Anlung Veng, I, Samdech Krompreah Norodom Ranariddh, first prime minister, and Samdech Hun Sen, second prime minister of the Royal Government of the Kingdom of Cambodia and co-commanders in chief of the KRAF, made an appeal to the fraternal officers and soldiers of the KR faction to quickly return to the national community to end the misery of the Cambodian people and your families. [passage omitted]

Time and again, the RGC represented by myself personally met and sent successive letters to KR leaders to discuss and jointly settle problems through a peaceful means. The RGC's activities carried out on the basis of national reconciliation, in political and legal terms, show that it has placed itself very lowly. The only thing the RGC wants in lowering itself this much is to end the conflict through peaceful means to bring our country toward full peace and national reconciliation.

These activities attest more clearly that the RGC is not a war- advocate and definitely not a warmonger. On the contrary, the RGC is a pacifist. But the KR ringleaders [words indistinct]. They have used the negotiation label to destroy negotiations and hinder the peace process. They have used negotiations to prolong the war and maintain their forces in fighting form while negotiating. They have demanded becoming advisers and members of the RGC but refused to recognize the RGC that they want to join. [passage omitted]

With repeated appeals to the brothers who are holding arms or [words indistinct] from the KR ringleaders, we would like to call on all of you to hurry back to your motherland, homeland, and families to be in time for our nation's traditional new year. Do not hesitate any longer. Whether you were routed from Anlung Veng and various other battlefields or are staying at any other bases [words indistinct] which will also face the same fate as Anlung Veng, there is no better way for you than to return to your families who are looking forward to seeing you and to the national community which has always been ready to pardon you.

The desire of our people as well as of our RGC—the sole legitimate representative of our Cambodian land which is indivisible—is nothing but unity, happiness, peace, and family reunion and to build a livelihood and national economy and to jointly defend the country under the very cool shade of the king who is most respected and loved by all of us. We do not, in the least, want our fellow Cambodians to continue shedding blood and the Cambodian families to further break up and suffer. [passage omitted]

You must be aware also that lawfulness [word indistinct] and peaceful life can exist only inside the Kingdom of Cambodia under the august king, His Majesty Norodom Sihanouk Varaman, reigning the (?people) and national reconciliation and the RGC which is recognized as the sole royal government of our beloved Cambodian motherland. For this reason, the KR ringleaders have carried on the war and sought every means to make you live as outlaws with them. In your mind, you may have already realized that many of you have always thought and wished for the KRAF to quickly launch activities near your areas in order to liberate you from [word indistinct] of the KR ringleaders. [passage omitted]

During the past few days, over 3,000 brothers have returned. Some of them have asked for permission to return to their native villages [words indistinct]. Others

have volunteered to serve the KRAF. Those who used to have ranks have been honorably given ranks by the RGC. [passage omitted] The RGC has set up a royal government delegation led by Samdech Hun Sen and myself to make arrangements to welcome you and provide facilities for all brothers to return in time for the traditional new year so that you can live happily in your hometowns with your families. [passage omitted]

I can assure you that you will [words indistinct] as citizens in general if you want to return to your hometowns and will be inducted into the the KRAF if you want to maintain [words indistinct]. All money and belongings that you bring along will be kept for you. If you bring along arms and ammunition or point out arms caches of the KR faction, you will be rewarded satisfactorily.

Brothers, please consider what to do. Should you [words indistinct] in isolation from (?country), national community, families, and hometown as the KR ringleaders have imposed and are imposing on you. You should choose—to live lawfully in your hometown with your families or to live outside the law; peace or waiting for the same fate as Anlung Veng and other territories where the RGC could not pardon illegal control over them by the KR ringleaders. [passage omitted]

[Signed] Norodom Ranariddh

#### **Cabinet Considers Judiciary, Media Law**

*BK1102065494 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT  
10 Feb 94*

[Text] On the morning of 10 February, a plenary session of the Council of Ministers was held under the chairmanship of Prince Krompreah Norodom Ranariddh, first prime minister, and Samdech Hun Sen, second prime minister, of the Royal Government of Cambodia to examine a number of bills and major issues.

1. The meeting discussed and adopted the bill on the establishment and the functioning of the Supreme Council of Judges. This bill, consisting of 22 articles, is very important. It not only ensures the independence of the judiciary but is also the basis of a law to move toward the establishment and the functioning of the Constitutional Council of the Kingdom of Cambodia [KOC]. The state secretariat for relations with Parliament will submit this bill to the National Assembly for examination and decision.

2. In accordance with Article 41 of the KOC Constitution, the cabinet decided to examine the press law at its next meeting to determine the freedom of the press, freedom of publication, and the responsibility of organizations or networks disseminating information to Cambodian listeners. This is to conform with the country's political situation.

3. The cabinet also discussed the legal procedures relating to the cabinet and assigned the cabinet office to supervise and implement this task.

4. The meeting also listened to the report by the Ministry of Foreign Affairs and International Cooperation on goals relating to the consolidation and expansion of international relations, particularly bilateral relations with countries that have diplomatic relations with the KOC.

5. The plenary session also listened to the report by the Ministry of Industry, Energy, and Mines on the progress of oil exploration and on the restoration and repair of hydropower. The cabinet examined a number of concrete measures to ensure proper and firm implementation of the decisions of the cabinet at its plenary session on 26 January, which set the electricity rate at 350 riel per kilowatt/hour for general users. Relevant ministries were requested to consider reducing the rate for light industry.

6. The cabinet also listened to the report by the Tourism Ministry relating to a number of principles for developing tourism.

The cabinet closed its plenary session at 1145 with a lofty spirit of unanimity and responsibility.

[Dated] Phnom Penh, 10 February 1994

#### **Ex-Khmer Rouge General To Report to Premiers**

*BK1402075894 Phnom Penh AKP in French 0402 GMT 14 Feb 94*

[Text] Phnom Penh 14 Feb (AKP)—Prince Krompreah Norodom Ranariddh and Samdech Hun Sen, respectively first and second prime ministers of the Royal Government of Cambodia [RGC], have just appointed General Chhim Chhorn as commander of the former Party of Democratic Kampuchea [PDK] soldiers who have rallied to the Khmer Royal Armed Forces [KRAF]. Gen. Chhim Chhorn, with his new role, will receive orders directly from the first and second prime ministers.

Thousands of soldiers from the PDK, the only faction that boycotted last year's UN-supervised general polls, have defected and rejoined national community following the implementation of national reconciliation policy under the august directive of His Majesty Norodom Sihanouk.

In northwestern Battambang Province alone, the number of the Khmer Rouge returnees had reached 3,364 by the end of December last year. Among the 235 Khmer Rouge troops incorporated in the KRAF, 58 former officers and noncommissioned officers have been promoted as senior and junior officers.

#### **VGNUFC Reviews 29 Jan-8 Feb Exploits**

*BK1402052594 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 13 Feb 94*

[Text] The two-headed government on 8 February mustered over 200 puppet and Paras [former Khmer People's National Liberation Front] troops at the 12th Division's base of (Vieng Khaidan) in preparation to attack the people and Democratic Kampuchea [DK] in an area south of Route 5. The people, however, in cooperation with the National Army of Democratic Kampuchea [NADK], attacked and dispersed the invading troops to protect their lives and property. We killed eight enemy soldiers, wounded more than 10, and captured 16 others, including a colonel and a Vietnamese soldier. We seized 25 assorted firearms, five sets of field radios, and some war materiel.

Between 6 and 8 February, the two-headed government attacked the people and DK with over 300 troops in an area west of Route 56. After three days of fighting, we completely dispersed them. We killed five invading soldiers, wounded 12 others, and seized 11 assorted firearms and some war materiel.

Leaders of the Vietnamese communist puppets and two-headed government on 29 January forced their soldiers to attack the people and NADK in the Srah Kev area, Baribo District, Kompong Chhnang Province. We attacked and completely dispersed them as they were approaching the area. We killed or wounded 13 enemy soldiers, destroyed a vehicle loaded with ammunition, and seized nine AK rifles and some war materiel. We completely control the area.

Leaders of the Vietnamese communist puppets and two-headed government on 1 February forced their soldiers to attack the people and NADK at O Krabau and Pel villages in Moug District of Battambang Province. They were, however, ambushed and completely routed by the people and NADK. We killed six enemy soldiers, wounded nine others, and seized two firearms and some war materiel.

The people and NADK on 2 February ambushed soldiers of the Vietnamese communist puppets and two-headed government in Kralaom Phluk area, Tuol Thnong village, Prey Svay commune, Moug District, Battambang Province. We killed or wounded seven enemy soldiers and seized three AK rifles and some war materiel. We also cut off their supply line between Kralaom Phluk and Tuol Thnong.

On 8 February, the people, who were furious at the repeated persecution and assaults by the troops of the two-headed government, cooperated with the NADK in attacking, sweeping, and dispersing the invading troops gathering at Aranh, (Tuol Spean Chruoh), and (Kum Noch) villages. The people also destroyed two ammunition depots belonging to the Siem Reap provincial army.

that contained rice crops and husked rice plundered from the people for feeding its troops.

## Indonesia

### Taiwan Leader on 'Vacation;' Meetings Reported

#### Talks With Suharto on Economic Ties

*BK1202102594 Hong Kong AFP in English 0622 GMT 12 Feb 94*

[Excerpts] Jakarta, Feb 12 (AFP)—Taiwanese President Li Teng-hui and Indonesian President Suharto discussed economic relations between the two countries, which have no diplomatic ties, a newspaper here said Saturday. The daily JAKARTA POST said that Taiwanese Presidential Office spokesman Kramer Ting told journalists that Li and Suharto agreed that Indonesia and Taiwan should improve economic cooperation.

Suharto also expressed appreciation for Taiwanese investment in Indonesia, the spokesman said. The two presidents met for 90 minutes at the Tampaksiring summer palace on the Indonesian resort island of Bali Friday. Despite the absence of diplomatic relations, Taiwan is the third largest investor in Indonesia, committing nearly four billion dollars over the past 25 years in the archipelago. Two-way trade was 1.42 billion dollars in the first half of 1993 and was a total of 2.62 billion dollars in 1992.

The tightly guarded and closed meeting between Li and Suharto took place after a lunch attended by the presidents and the first ladies, a source here said. [passage omitted]

Suharto arrived in Bali late Thursday, officially to visit the newly renovated state-owned Grand Bali Beach Hotel, which had burned down in January 1992. [passage omitted]

Indonesian Foreign Minister Ali Alatas said that Li's visit would not change Indonesia's One-China policy. He said that any meeting between Li and Indonesian officials, including Suharto, would be private capacities and should not be "exaggerated." [passage omitted]

#### Meets Suharto 'Under Tight Wraps'

*BK1102154494 Hong Kong AFP in English 1015 GMT 11 Feb 94*

[Excerpts] Jakarta, Feb 11 (AFP)—Taiwanese President Li Teng-hui Friday met his Indonesian counterpart Suharto during a lunch kept under tight wraps, a source here said.

"They had lunch together at the presidential palace in Tampaksiring and a meeting was held after the lunch," the source said without saying how long the meeting lasted. [passage omitted]

The meeting between the two leaders, at the summer palace built by founding president Sukarno and overlooking the sacred Hindhu bathing place and temple of Tampaksiring, was closed to the press, journalists in Bali said by telephone.

The Taiwanese president flew to Bandung in West Java on Thursday where he played golf and visited the state-owned Nusantara National Aircraft Industry (IPTN) accompanied by its president, Research and Technology Minister Bacharudin Jusuf Habibie. [passage omitted]

#### Sees Habibie in Closed Meeting

*BK1002160094 Hong Kong AFP in English 1045 GMT 10 Feb 94*

[Excerpts] Denpasar, Indonesia, Feb 10 (AFP)—Taiwan's president, Li Teng-hui, held a closed meeting with Indonesian Research and Technology Minister Bacharuddin Habibie at this resort island of Bali Thursday, a source said here. "The meeting was totally closed for journalists," the source said, adding that the meeting was supposed to have been held at the isolated hotel where Li was staying. Habibie, who is known to have strong support from President Suharto to develop the country's technology industry, met Li in his capacity as a scientist, officials here have said.

The Indonesian minister, who also heads the country's ten strategic industries, including aircraft manufacturer IPTN, has said that during his talks with Li, he would try to sell IPTN products to Taiwan. Habibie said IPTN's technology was more advanced in producing civilian aircraft while Taiwan's aeronautical industry stressed the manufacture of military aircraft. Therefore, he said, the aviation industries of the two countries were not contemplating cooperation. [passage omitted]

Indonesian Foreign Ministry said Tuesday that Li's visit would change Indonesia's one-China policy and that any meeting between Li and Indonesian officials, including President Suharto, were in their respective private capacities and therefore should not be "exaggerated." [passage omitted]

#### Leader Departs, Ends 'Vacation'

*BK1402131694 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 14 Feb 94*

[Text] Taiwan President Li Teng-hui left Bali at about 0855 Central Indonesian Standard Time [0055 GMT] this morning, concluding a vacation in Indonesia that began on 9 February. President Li Teng-hui left Indonesia for an undisclosed destination aboard China Airlines Flight No. B-106. It is not yet known whether he will return home or stop in another ASEAN country.

Reports from Denpasar say that Li Teng-hui and the members of his delegation—estimated at 35, including a number of ministers—stayed at the Bali Clear Resort near the Nusa Dua tourist resort.

There have been no official statements on the Taiwan president's activities during his stay in Bali because his visit was merely a vacation. In addition, Indonesia has no diplomatic relations with Taiwan; it follows a one-China policy.

### PRC Embassy 'Regrets' Visit

*BK1402151194 Jakarta ANTARA in English 1432 GMT 14 Feb 94*

[Text] Jakarta, Feb. 14 (ANTARA)—The Embassy of the People's Republic of China in Indonesia made an official statement here Monday, expressing China's regret over the visit of Taiwanese President Li Teng-hui to Indonesia. The statement said that Li's visit, although in the name of "holiday making," was actually aimed at developing substantive relations with Indonesia and to create a situation of "two Chinas" in the world.

The five-day visit which began Feb. 9 violated Indonesia's commitment on the "one-China policy" undertaken at the time when diplomatic relations between Indonesia and China were resumed.

The China Government has lodged a strong protest against the Indonesian Government on the incident. The embassy statement further said the China Government hoped that the Indonesian Government would uphold overall interest in safeguarding the Sino-Indonesian friendly relations and cooperation. They also called for efforts to stand on-guard against the political designs of the "southward policy" pursued by the Taiwan authorities.

### Independent Union's Strike Considered 'Failure'

*BK1202155294 Singapore THE STRAITS TIMES in English 12 Feb 94 p 2*

[By Jakarta correspondent Paul Jacob]

[Excerpts] Jakarta—The independent SBSI labour union claimed partial success in rallying workers and supporters behind its call for a one-hour work stoppage across the country yesterday, but observers here considered the exercise a failure.

The union said preventive action by the authorities—including alleged intimidation of organisers and the detention of its chairman—thwarted wider participation in the strike, called to demonstrate the extent of its support nationwide and its recognition as a trade union.

The Sejahtera (Prosperity) Indonesian Trade Union (SBSI) was also calling for improved labour practices and higher wages.

The authorities refused to recognise the union—a rival of the government-backed SPSI [All Indonesia Workers Union] federation—arguing that it was set up by human rights and labour activists not by workers themselves.

The SBSI, which was aiming for the support of two million people, said feedback from its branches indicated that up to 750,000 took part. But observers, including diplomats and journalists regarded the action as a failure as response from workers did not appear to be widespread at least in Jakarta and the surrounding industrial towns of Tangerang and Bekasi.

Prayers by religious leaders at central Jakarta's National Monument in support of what was to be a peaceful stoppage from 8 am also did not take place. [passage omitted]

The SBSI maintained that the number of members and sympathisers who took part in many places, including Solo, Medan, Lampung, and Surabaya, demonstrated the support it enjoyed nationwide.

On Wednesday and Thursday, police and security forces broke up what they said were illegal meetings by SBSI members to plan yesterday's action. SBSI chairman Mokhtar Pakpahan was among 21 activists detained after raids. Union vice chairman Rekson Silaban said yesterday that 11 had since been freed but Mr. Mokhtar remained under detention in Semarang.

Mr. Rekson said the union would have met its target of two million participants if leaders and organisers in Semarang, Bekasi, Tangerang, and other parts of west Java had not been intimidated. He said the union was undeterred and would continue with plans for a longer strike on April 1 if labour practices did not improve by then.

The union would also meet the newly-established Human Rights Commission today to seek support in getting Mr. Mokhtar released.

Diplomats said it remained to be seen how the government's action against the SBSI might affect Indonesia's position with Washington. The United States has given Jakarta until February 15 to improve labour conditions or risk losing trade privileges.

### Visit Ban Ends for Jailed Rebel Leader

*BK1102045094 Jakarta ANTARA in English 0335 GMT 11 Feb 94*

[Excerpt] Jakarta, Feb 10 (OANA-ANTARA)—The government on Wednesday lifted the visitation ban on former East Timor security disturbance movement leader Xanana Gusmao but authorities said until late that afternoon he has not received anyone in his cell at Cipinang jail. "No one from his family or circle of friends paid him a visit in spite of the suspension being lifted," confirmed the director-general of social rehabilitation Baharuddin Lopa on Wednesday.

Visitors wishing to visit him must first be screened by the prison guards. Questions are asked on the purpose of the visit and they must disclose their relations with Xanana. "The exercise is aimed at stopping bonafide visitors who may just want to see what Xanana looks

like," said Lopa who is also secretary-general of the National Commission on Human Rights.

When asked about the decision to allow former dissident and chairman of the Indonesian Law Aid Foundation (YLBHI), Adnan Buyung Nasution, to visit Xanana, Lopa said the case was still under consideration. "Nasution's letter of request is with the justice minister and he alone can grant the permission." [passage omitted]

## Laos

### U.S. 'Accusations' on POW-MIA Rebuffed

BK1102091094 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 10 Feb 94

[Statement issued by the Foreign Affairs Ministry of the Lao People's Democratic Republic on an assessment of the implementation for 1993-94 of the Lao-U.S. cooperation plan for American prisoners of war and personnel missing in action—read by announcer; date not given]

[Text] According to a report of the Foreign Affairs Ministry, the Voice of America—an official mouthpiece of the U.S. State Department—carried reports on 2 January and again on 13 January blaming the Lao side for failing to provide sufficient cooperation in excavating, surveying, and searching for American pilots missing in action during the war in Laos, the war for which the U.S. official sector has never admitted that it employed various types of aircraft to drop three-all [kill all, burn all, and destroy all] destructive bombs on Lao territory and that the bombardments took many lives, destroyed considerable property, and left extensive damage to the environment. After the end of the war, instead of paying compensation to the Lao side for the losses deliberately caused by the air bombardments, the U.S. side even pressed Laos and Vietnam, which are still suffering bruises from this war of aggression, to cooperate with it in searching for American pilots. These pilots flew planes shot down by the Lao and Vietnamese peoples while they were dropping bombs on a large scale to mercilessly kill these people.

Though the innocent Lao people still strongly resent the U.S. bombing, the government, as well as the ill-fated Lao people, have consistently agreed to cooperate well with the U.S. side in surveying, excavating, searching, and investigating the fates of these airborne pirates, despite the fact that the ill-fated Lao people, who experienced the suffering, have not been given any compensation for the losses caused by that destructive war. The Lao Government and people have cooperated with the U.S. side because they consider the issue a humanitarian one and have taken into consideration the feelings of the American people, who have also suffered due to the policies and secret activities of their official sectors.

This cooperation, as has been mentioned many times, began in 1985 and 1986, when Lao and American

technical teams excavated crash sites in Paksong District, Champassak Province. From then until late September 1993, the two sides jointly conducted surveys and excavations on 35 occasions in 11 provinces. So far, the remains of some 51 American personnel missing in action have been discovered. The U.S. side, however, has never made any announcements or remarks publicly acknowledging this. It is not known why the deputy head of the Congress of the United States, [title as heard] known as the person in charge of following up and expediting this issue and who has apparently known all about Lao cooperation from the beginning, has not mentioned anything about it. He has only said unconstructively that Laos has not cooperated, and that as Laos has failed to cooperate, it is necessary to put ever more pressure on Laos to do so.

To clear up the false accusations of the Voice of America and of the spokesman of the U.S. State Department and to enable peace- and justice-loving people throughout the world determine themselves what is true, what is false, who is right, and who is wrong in connection with this issue, the Lao side deems it necessary to clarify and give the following details about Lao cooperation, particularly in 1993 and 1994—from October 1993 until February 1994—by reviewing the reports of Lao officials in charge of this issue:

The Lao-American cooperation project on American prisoners of war and personnel missing in wartime can be divided into the four following categories:

1. Surveys and excavations of areas around plane crashes. Based on the plan and data presented by the United States at the technical meeting held 16-17 September 1993, the U.S. proposed joint surveys and excavation of six crash sites in 10 provinces throughout the country, namely Attapeu, Sekong, Saravane, Savannakhet, Khammouane, Bolikhamsai, Vientiane, Houa Phan, Xieng Khouang, and Luang Prabang Provinces. These began in October 1993 and will end in late September 1994. From October 1993 to February 1994, joint surveys and excavations were conducted on three occasions.

The surveys and excavations on the first occasion took place simultaneously in Sekong and Saravane Provinces. The work lasted 23 days—from 19 October to 12 November 1993. It was performed jointly by 32 personnel from the U.S. side and seven from the Lao side, excluding local labor. Four helicopters were used. No motorcars were used, because all the sites are on mountains. There were 23 survey points and three excavation points. Eight personnel excavated at point 1530 where a C-130 was shot down in 1968. A number of skeletons and teeth were discovered at that point. Ten personnel worked at point 1600 where a C-130 was shot down in 1971. A number of skeletons and teeth were discovered there. Excavation was impossible at the third point, point 1382, because there were live bombs throughout

the area. The excavation was suspended as hazardous to the personnel involved. Joint surveys were conducted on 23 points of plane crashes.

The joint surveys and excavations in the second stage, called tripartite cooperation by the U.S. side—Lao-U.S. and Vietnamese-U.S. cooperation—were conducted along the Lao-Vietnamese border in Sekong, Saravane, and Savannakhet Provinces. Work was carried out in a radius of 10 km from each side of the border, the radius which the U.S. side considered a privileged case based on the agreement reached by the deputy minister-level tripartite meeting held in Hawaii on 10 August 1993. The second group of surveys and excavations took place over 16 days—from 4 to 20 December 1993. A total of 32 from the U.S. side and seven from the Lao side, excluding auxiliary personnel, took part in these. Four helicopters and four motor vehicles were employed in the second stage. There were 17 survey points and three excavation points. At point 1643 a number of skeletons and teeth were discovered, while at points 1719 and 1750, pilots' emblems and wreckage of downed aircraft were discovered.

During this second stage, tripartite technical meetings were held on four occasions at the Lao Bao border checkpoint to exchange information. The first meeting was on 4 December, the second on 6 December, the third on 10 December, and the fourth and last on 15 December 1993. In the final tripartite meeting at the Lao Bao border checkpoint on 15 December 1993, Winston Lord, deputy assistant to the U.S. secretary of state [title as heard], accompanied by Major General Thomas Needham, attended the meeting to observe the actual bilateral and tripartite cooperation. After the meeting, the two expressed thanks to the Lao Government for the fine cooperation that it has consistently given to the U.S. side.

The third stage of surveys and excavations was conducted in Savannakhet Province. It began on 12 January and ended on 8 February 1994, lasting 28 days. Conducting the surveys and excavations were 32 personnel from the U.S. side and seven others from the Lao side, excluding supporting laborers. Four helicopters and four automobiles were employed. A camp was set up in Sepon District on Route 9. According to the plan proposed by the U.S. side, 26 points on crash sites were to be surveyed and six were to be excavated—two in Vilabouli, two in Sepon, one in Phin, and another in Atsaphangthong Districts. As of 6 February 1994, the surveys were completed on 17 points. Excavations at 0571 and 1363 have been completed. A number of teeth and skeletons were discovered.

At the time this report was prepared, an excavation was conducted at point 9950 in Na Gnom Canton, Vilabouli District, while preparations were being made for further excavation at point 0370. Excavations were conducted on many occasions at point 0018. The U.S. side has requested more excavations at this point, and the Lao side has had no objection. As the operation is still in

progress, the achievements in conducting the surveys and excavations of the third stage can not be reviewed and assessed yet.

2. The second category of the Lao-U.S. cooperation project on this issue is the investigation and search for American POWs whom the U.S. side believes to be alive. To show its good intentions and sincerity to clear accusations from U.S. officialdom, which has claimed that there are still American POWs in Laos, despite the denials by the Lao side all along that no more such POWs remain and that there is no reason for the Lao side to keep them in Laos if there were any, the Lao side is willing to cooperate. If the U.S. side has concrete and reliable information on the living POWs, let the Lao side be informed so that a team can be set up to investigate.

In fact, in the recent past, the two sides have jointly investigated on many occasions. No facts concerning POWs have been found on any occasion. Examples were the case of Captain Borah, who was later found to be a 60-year-old Lao Theuang tribesman, namely (A-lao), and the case of First Lieutenant (Kha), whose photo was shown to the Lao side to assist with the search. According to American experts, the photo was believed to be a photo of 1st. Lt. (Kha). The Lao side, not expert in this field, said immediately after seeing the picture that the person is not an American and that the picture was not taken in Laos. The Lao side saw the picture as taken in a zoo in Thailand. Some one month later, it was determined that it is not a picture of 1st. Lt. (Kha). It is instead a picture of a German national, named Gunther, who runs a small business in Thailand.

Later, on 2 and 4 November 1993, the Lao side took (Gary Smith), an American expert in this field, to Toumlan village in Saravane Province. According to U.S. news sources, an American national was found living in the village. The news was received from a Thai trader working in the province. After an investigation, the person was found to be a physician attached to Medecins Sans Frontieres, which implemented an aid project in Laos. Later, on 25 and 28 January 1994, the Lao side also took (Gary Smith) to Nong Ma Village and Gnommalat District in Khammouane province to further investigate information he received about the detention of Americans at the two places. To make sure, our side granted special permission for him to inspect the Gnommalat prison and interrogate prisoners and people in nearby areas on whatever he wanted to know. But, he found no Americans living in the area. A bad point was that while inspecting the Gnommalat prison, instead of inquiring about the trail of the Americans, the American technician asked why the Lao nationals were detained there. Can this be seen as coming to find fault with the host country, which has cooperated with the U.S. side?

3. Interviews of prominent persons: At U.S. suggestion, the Lao side has allowed the U.S. to interview Sot Phetlasi in Vientiane twice. The second time was on 8 January 1994. The U.S. was also allowed to interview

Lieutenant Colonel Khamla Keophithoun in Beijing, China, on 19 December 1993.

4. Probing various war documents and films: In response to a U.S. suggestion, the Lao allowed American experts to examine and list available films on 10 January 1994. This project is expected continue for the rest of the year. In addition, on 26 January 1994, the Lao also granted permission for the U.S. to inspect the revolutionary museum in Vientiane.

In general, the Lao Government and people, as well as local administrations and concerned authorities at all levels of the Lao side, have cooperated well with the U.S. all along in dealing with the problem of American POW-MIAs. According to an agreement reached between the two sides, since August 1987 the U.S. Government has given assurance to the Lao side that in return for good cooperation, the U.S. will provide appropriate humanitarian aid to the Lao people. Based on said agreement, the Lao side has, therefore, requested said humanitarian aid from the U.S. for 1993-94. The request, in terms of medicine, small medical equipment, water pumps, generators, and motorcycles for local cadres working in support of the project, was made at the technical meeting held in Vientiane on 16-17 September 1993.

So far, the Lao side has not yet received any aid from the U.S., while the surveys, excavations, collection of information about American POWs believed to be still alive, interviews, and the probing of films and documents has been done continuously each and every week and every month to the extent that there is almost no time for rest. What does the U.S. want the Lao to do so as to be seen as cooperating sufficiently? If Lao cooperation given fails to meet U.S. requirements, would it be better for us to stop wasting time continuing to do it?

#### **Talks Held with Cambodian Defense Delegation**

*BK1202100994 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 12 Feb 94*

[Excerpts] Yesterday, a delegation of our Lao National Defense Ministry led by Defense Minister Lieutenant General Choummali Sai-gnason and a delegation of the National Defense Ministry of the Kingdom of Cambodia led by Defense Minister General Tea Chamrat held official talks in Vientiane. The Cambodian delegation is currently on a friendship visit to our country, scheduled for 11 to 14 February.

In the talks, which proceeded in a friendly atmosphere, the two sides informed each other of the situations in their respective countries. They also discussed other issues of common interest. Lt. Gen. Choummali Sai-gnason, head of the Lao delegation, welcomed the official friendship visit to Laos of the National Defense Ministry delegation of the Kingdom of Cambodia. The visit, he said, would contribute to further strengthening the relations of friendship between the two countries. [passage omitted]

Gen. Tea Chamrat, head of the Cambodian delegation, expressed his sincere thanks to the Lao side for the warm welcome accorded to him and his delegation. He also informed the Lao delegation of the situation in Cambodia. He noted certain difficult and complicated problems that remain unsettled as a result of acts by a certain group of forces which have not yet come to understand the cause of establishing peace in Cambodia.

#### **Philippines**

##### **Continuing Talks on DPRK Nuclear Issue Urged**

*BK1402020894 Manila MANILA STANDARD in English 9 Feb 94 p 6*

[By Merlinda Manalo]

[Excerpt] The Philippines yesterday appealed for calm and called for continued dialogs to peacefully resolve the brewing international dispute involving North Korea's defiance to demands of International Atomic Energy Agency (IAEA) that it allow inspections on its nuclear facilities.

Foreign Affairs Secretary Roberto Romulo yesterday joined the call for a peaceful resolution of the dispute following reports of mounting pressure for international sanctions against North Korea if it fails to allow the International Atomic Energy Agency (IAEA), a United Nations Agency, to inspect seven suspected nuclear missile sites in its territory. [passage omitted]

##### **Ramos Discusses Trade with Taiwan President**

*BK1402085794 Quezon City PTV-4 Television Network in English 1330 GMT 10 Feb 94*

[Teleconference by President Fidel Ramos with journalists in the cities of Davao, Cebu, Baguio, and Bacolod and panelists in the PTV-4 television studio, moderated by Ricardo Puno at the PTV-4 studio in Quezon City—live; passages in italics in Tagalog]

[Excerpts] [Ricardo Puno] Mr. President *it was mentioned that you were in Subic yesterday, and that's the news here in Manila, that you were in Subic because you went to meet with the president of Taiwan, and some expressed apprehension that the meeting will offend the People's Republic of China. What really transpired in Subic, and what did you discuss with the president of Taiwan?*

[Ramos] [passage omitted] It was not an official visit; we did not talk about political matters, but we concentrated on trade and economic cooperation because that is allowed under the one-China policy. And why shouldn't I take advantage of that stopover, a very brief one about three hours, of the president of Taiwan, in as much as *they are the biggest potential investors in Subic. They have already contracted for 300 hectares in which they will put up 150 factories, and we will open up this area on 20 February. And for the purpose of developing that*

industrial site area, the Taiwanese have arranged for a soft loan to the Subic Bay Metropolitan Authority under Chairman Dick Gordon, amounting to \$23 million dollars, but that can be expanded to \$100 million later on between the next couple of years depending on how fast there's a need for that loan. At the same time, we, on the part of the Philippine Government, we are putting in our appropriations there, which is called for there at the BCDA Law, the Bases Conversion Development Authority Law which includes Clark.

Now, *as for those investments in Subic, another important matter we discussed is the joint ventures in agribusiness.* This is an offshoot of what we just discussed with Ben Jochico [journalist in Bacolod City] in regard to sugar. It was quite very clear to me that the Taiwanese would want to contribute agricultural expertise as well as capital into the Philippines to develop joint ventures in agriculture so that at least they will have a nearby source of food products coming out of this joint ventures, *because joint ventures allow them to produce at minimal cost.* So I said that, by all means, we have the land and the farm labor available, and these are readily available in the northern part of Luzon, which is nearest to your country. [sentence as heard] But they are available elsewhere in the Philippines, and there is already a very active Taiwanese business group here, they have their own chamber of commerce. That could be the vehicle for the acceleration of this kind of partnership. [passage omitted]

#### PRC Said Informed of Meeting

*BK1402054294 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 11 Feb 94*

[Excerpt] The People's Republic of China has been informed by Malacanang that President Fidel Ramos will be meeting Taiwan President Li Teng-hui in Subic. According to a senior aide of the president, China also knew the agenda of the Ramos-Li talks, and that it is unofficial. The Chinese Embassy, likewise, did not object to the meeting. [passage omitted]

#### Ramos on Post-Embargo SRV Trade, NAFTA

*BK1102125994 Quezon City PTV-4 Television Network in English 1330 GMT 10 Feb 94*

[Teleconference by President Fidel Ramos with journalists in Davao, Cebu, Baguio, and Bacolod and panelists in the PTV-4 television studio, moderated by Ricardo Puno at the PTV-4 studio in Quezon City—live; passages in italics in Tagalog]

[Excerpts] [Godofredo Roperos, SUN STAR DAILY, in Cebu City] Mr. President: President Clinton has just lifted the economic embargo on Vietnam. The floodgates for investors to go to Vietnam is now wide open. Don't you think that this will affect the Philippines' potential for investment in our part of the globe?

[Ramos] You know, within three hours of our hearing of the lifting by President Clinton of the trade embargo in Vietnam, I issued a statement—which already has been published in our newspapers, and that should already be there in Cebu by now because that was last week—supporting the lifting of the trade embargo because in the overall, our assessment—my assessment—is that the opening up of trade all over the world—especially here in Asia and the Pacific; our region—will lead to advantages to the Philippines also. And we need not be panicked again by a possible competitor on the part of Vietnam in regard to the capturing of investments as well as the sale to the world market of similar products.

As far as I'm concerned, there could be some complementarity between the Philippines and Vietnam. We can even be partners with each other to put out cheaper and high quality goods, even if our raw materials are about the same. We can also help Vietnam, as we have helped them in the deepest moments of their crisis since the middle 60's. We have good rapport with the people of Vietnam, and now even the government of Vietnam. We can help them in certain types of expertise because of our higher level of technical experience.

But I think most of all we should look at the advantages inherent in the Philippines itself. Labor costs are higher here than Vietnam, but I say that we are more strategically located in terms of Asia and the Pacific. We're the gateway here, with access both to the mainland of Asia as well as the Pacific rim of North America. We're also, I would say, better—much better—in communications. We don't need an interpreter in the Philippines to do international business in the Philippines. [passage omitted]

[Angelo Abarico, in Davao City] Mr. President: Prime Minister Mahathir of Malaysia was here last Sunday and he spoke about the need for intensifying trade among ASEAN members and spoke about AFTA, which is the Asean Free Trade Area. Today, Ambassador Negroponte of the U.S. Embassy in Manila was here in Davao and he also spoke about the need for more trade and less aid to this country. In fact, he said that the United States Government is phasing out aid to foreign recipients. He also spoke about the NAFTA, or the North American Free Trade Area.

Mr. President, are we prepared to take advantage if there are any advantages in the AFTA? And are we prepared also for the possible adverse effects that might come through NAFTA?

[Ramos] [passage omitted] AFTA itself as a program was launched 1 January 1993—during my time—as a result of that summit decision. So we are into it. What it envisions over the next 15 years after 1993 is a gradual reduction of tariffs within our six countries in ASEAN, so that at the end there is nothing bigger than a 5 percent tariff. Now, in between are milestones that we must achieve also, meaning we lessen the number of items which are to be benefited by protective tariff. At the

same time, we reduce the rate of tariffs. In general, that is what is the agreement in AFTA.

*With NAFTA, I have said that there are complementarities in NAFTA and AFTA. It is not necessarily one against the other, or they are not necessarily mutually exclusive. Although in two areas... [pauses] You people in Bacolod, listen to this. Regarding sugar, that might be threatened. Garments might also be threatened, because these are Mexican products, and it is easy to bring them into the United States. Under a NAFTA situation, there could be lowering of tariffs also, and so their products—coming from Mexico for sugar and garments—might be more competitive than ours. But so far, we have been assured by the U.S. Government that Philippine sugar and garment products will not be jeopardized. In fact, the quota for garments has been increased as between the Philippines and the United States, and we're seeing this as a very good opportunity for expanding exports in garments to the United States.*

During the APEC meeting in Seattle last November, I emphasized that since we are in the middle of it—we have both AFTA and NAFTA historical connections—we should try to look for the complementarities between the two systems. Meaning *our garments have an advantage*, because it is not necessarily true that just because Mexico is nearby, that they can produce products needed in the United States better than those of us in the Philippines. That is not necessarily true. So let's look for our comparative advantage, even if there is NAFTA. Then let's press on that because we have also this advantage of proximity if we are looking at the Pacific states of the United States and even Canada itself. [passage omitted]

[Hector Villanueva, MANILA CHRONICLE, in the PTV-4 studio] What are the most urgent reforms or legislations are you pursuing now?

[Ramos] Well, I told you Chito *that* out of that legislative-executive minisummit, or caucus, we came up with about 15 agreed key priority, urgent legislative proposals. Now, when we discussed this with the people in the multisectoral survey, or summit, this ballooned to about 93 executive-legislative proposals. But we have refined that since then, and this was done as a result of the agreement to cease fire the unicameral issue, about three weeks ago.

Before they resume their sessions on 24 January, and the 15 top bills, if I remember, are: Amendments to the BOT [build-operate-transfer] law—this is now being done in the Senate under Senator Arroyo; the liberalization of the banking system; the amendments to the Foreign Investments Act, FIA; the so-called higher education bill; the dual education and training system, meaning private sector must come in to help in the transfer of science and technology to our young people; refinements to the VAT [value added tax]; the improvement of our geothermal exploration effort, because certain incentives will be added there; the upgrading of science and technology in

our country; and then there is that body of laws, resolutions, ratifications, related to the Uruguay round of GATT so that the Philippines can accede to the forthcoming world trade organization; and then there is a set of bills on population stabilization.

Now, it is not all tax measures, but some of them are revenue enhancement in terms of organization, policy, computerization, etc., and I think they agreed on this being the calendar for the next several weeks in both houses in Congress. [passage omitted]

I am very confident that our economy is on the verge of take-off. In 1993, the economy performed very well in spite of the fact that we achieved targets not as high as our neighbors. We are also enjoying unprecedented stability as well as social cohesion. *If we use as a base the fine cooperation between the executive and the legislative, that is something in our favor.*

We are also seeing now a greater appreciation of our neighbors around us of the value and the worth of the Philippines as an investment, tourism, and trade destination. *The result is the influx of investors and visits by high government officials and just plain tourists. One of the fruits of our making visits abroad last year are the return visits of our colleagues in government, and they always bring with them large trade and investment delegations, like last week, when Prime Minister Mahathir came here, and yesterday, very quickly, President Li of Taiwan, and there will be some more coming as scheduled.* [passage omitted]

#### Government: No 'Closing Door' on NDF Talks

BK1402123594 Quezon City MALAYA in English  
11 Feb 94 p 2

[By Chit Estella]

[Excerpt] The government is not closing the door to negotiations with the National Democratic Front, Ambassador Howard Dee, said yesterday.

Disputing that interpretation made by exiled communist leader Jose Ma. Sison, Dee, head of the government panel negotiating with leftist rebels, said, "We merely stated that given our objective to attain peace everywhere in the country, and the reality of the serious rift within the CPP/NPA/NDF [Communist Party of the Philippines/New People's Army/National Democratic Front], then peace talks with Messrs. Sison and (Luis) Jalandoni alone would no longer be adequate."

Although implying that the government would be willing to talk with groups that broke away from the CPP, Dee yesterday reiterated that such groups must first stop their terroristic activities.

"We categorically state that the GRP [Government of the Republic of the Philippines] Peace Panel had no intention of entering into peace talks with any group,

including the Alex Boncayao Brigade [ABB], under threat of violence and coercion." [passage omitted]

#### **No Deadline on Talks**

*BK1402024094 Manila PHILIPPINE DAILY INQUIRER in English 9 Feb 94 p 6*

[Excerpt] There is no deadline for communist rebels to resume peace talks with the government, the chief peace negotiator for the Left said yesterday. Former Ambassador Howard Dee told reporters in Malacanang that he will consult with peace advocates to explore avenues to save the talks from collapsing. But he asked the warring factions in the communist underground to stop dragging government officials into their conflict.

"We cannot talk on the basis of an environment where we are being threatened with physical harm, not the panel itself but government officials, institutions that they have threatened," Dee said. "So when they (communist rebels) are ready, they can always come to tell us that they want to talk. It takes two to tango. You cannot force them to come to us," he said. [passage omitted]

#### **CPP Chief: Government Shuts Door**

*BK1402021794 Manila PHILIPPINE DAILY INQUIRER in English 9 Feb 94 p 6*

[Excerpts] Sison, CPP [Communist Party of the Philippines] founder, denounced chief government negotiator Howard Dee for expressing willingness to talk with breakaway communist groups.

Gregorio Rosal, alias Comrade Roger, CPP spokesman, also issued strong statements against Dee. Rosal said the Alex Boncayao Brigade (ABB), headed by Felimon Lagman, is a vigilante group working with the military.

"The Ramos regime bears full responsibility for closing the door to any kind of talks with the NDF (National Democratic Front)," Sison said in a statement from his base in Utrecht, the Netherlands. Sison said Dee revealed the government's decision to get out of peace talks with the NDF in a statement issued by Dee on 5 February. [passage omitted]

"Dee is in effect delivering the message to the revolutionary forces that they must continue to wage the people's war," Sison said. "Howard Dee is more interested in being a psy [psychological]-war agent of the Ramos regime than in looking for a way to the negotiating table. He is below the caliber and style of Representative Jose Yap," he said. Yap was presidential emissary to the NDF during the exploratory talks in September last year in the Netherlands.

Sison said it will be futile for Dee to "pretend that the Lagman gang is something that the regime can negotiate with." He said the NDF had in fact demanded that the government stop coddling and using the "criminal Lagman gang" as a tool to "sabotage" the communist movement before peace talks can proceed.

Sison said Dee's statement was meant to "deflect public attention from the outrageous raising of oil prices and electricity and power rates." In a separate statement, Rosal said the ABB's bombing of the three oil companies following the increases last 28 January was aimed at sabotaging the peace talks. [passage omitted] "From being part of the NPA [New People's Army], the ABB has become a vigilante group and worse as an instrument of the U.S.- Ramos regime," Rosal said.

#### **Official: Communists Want To Return**

*BK1102112394 Quezon City PTV-4 Television Network in Tagalog 0500 GMT 11 Feb 94*

[Text] Many leaders of the communist movement based abroad have signalled their intention of coming home. Defense Secretary Renato De Villa today revealed that 80 members of the National Democratic Front International Bureau want to return. He added that the government will assist them in doing so.

[Begin De Villa recording in English] My information is that several of them already want to return, and we're open to that. We even said: Why not? You come back and see for yourself what's happening here. We will assure you of passports or entry documents, and if necessary, if you so desire, we are even willing to issue conduct passes. [end recording]

### **Thailand**

#### **Taiwan Leader on 'Vacation;' Impact of Visit**

##### **Arrives in Phuket 14 Feb**

*BK1402142394 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 14 Feb 94*

[Text] Taiwan President Li Teng-hui, his wife, and 40 businessmen arrived in Phuket Province late this morning on a private vacation. Taiwan President Li Teng-hui, who arrived as a tourist, was welcomed only by Taiwanese businessmen at the airport. The Taiwan president's delegation checked in at the Pacific Island Hotel. After eating lunch, he proceeded to play golf. Tomorrow, he is scheduled to view Phuket from a cruise boat.

The Taiwan president's delegation will return home on 16 February.

##### **Chuan 'Not Prepared' for Meeting**

*BK1402124394 Bangkok ZHONG HUA RIBAO in Chinese 14 Feb 94 p 8*

[Text] Prime Minister Chuan Likphai said yesterday that he was not prepared to welcome Taiwan President Li Teng-hui, who is arriving on a private visit.

President Li Teng-hui is visiting several ASEAN countries, including Indonesia and the Philippines, on a swift and vehement "money diplomacy" offensive. He is

scheduled to arrive in the southern province of Phuket for a vacation. An earlier source said that Prime Minister Chuan would meet President Li Teng-hui on this famous island on the western coast of southern Thailand.

Responding to this report, Prime Minister Chuan said that the Thai Government adheres to a "one China" policy. Prime Minister Chuan said that the Foreign Ministry has already stressed Thailand's policy in this regard. The prime minister said, however, that Thailand has maintained good relations with Taiwan. These relations are economic; they involve members of the private sector and have nothing to do with politics. The prime minister said that Thailand has to be careful in the way it handles some sensitive issues because it adheres to a "one China" policy. In particular, Thailand has to honor its diplomatic commitments, because it has good relations with its neighbors. Thus, it is able to clarify some issues.

#### **Provincial Officials Prepare for Visit**

*BK1402105794 Bangkok MATICHON in Thai  
14 Feb 94 p 10*

[Text] Taiwan President Li Teng-hui and his 40-member delegation will visit Thailand as tourists and are scheduled to hold talks with Thai business people during their vacation in Phuket Province from 14 to 16 February. In this regard, Sutchit Nimitkun, governor of Phuket Province, held a closed-door meeting with some 20 officials at Dusit Lagoon Resort Hotel on 13 February to map out reception for the Taiwanese leader and his delegation.

The Dusit refused to answer any questions, saying the meeting is a regular event. However, it was reported that the meeting discussed the reception and security measures for the Taiwanese delegation. Deputy Prime Minister Amnuai Wirawan will also come to meet the president during his stay in Phuket. It was stressed during the meeting that officials concerned must avoid giving any news about the visit to the mass media for fear of affecting the good relations between Thailand and China.

A source revealed that Amnuai Wirawan arrived in Phuket on 12 February and has been staying at the Dusit Lagoon Resort Hotel. However, the place where the Taiwan delegation will stay has been kept secret. Amnuai was seen at Thai Muang Golf Course in Phang-nga Province, presumably inspecting the readiness of the golf course, where the Taiwanese visitors and Thai businessmen will play friendship matches.

#### **Amnuai, Others Said To Meet Li**

*BK1402060894 Bangkok THE NATION in English  
14 Feb 94 p A3*

[Excerpts] Deputy Prime Minister Amnuai Wirawan flew to Phuket yesterday for a "round of golf" with visiting Taiwanese President Li Teng-hui, who is due to arrive today on an controversial private visit, an official source said yesterday.

Li's private plane is due to touch down in Phuket about 11 am from Bali, in Indonesia, an informed source said. Thailand is the third and last stop of Li's Southeast Asian tour—which has drawn protests and veiled threats from Beijing. He also visited the Philippines.

The Taiwanese president will stay at the Pacific Island Club Hotel, where Amnuai will host a dinner reception for him tonight, the source said. Deputy Labour and Social Welfare Minister Phaithun Kaeothong is also to meet Lee for talks about the Thai labour market in Taiwan. Amnuai and Phaithun are both members of the New Aspiration Party (NAP).

There are about 30,000 Thais working legally in Taiwan, and an estimated 40,000 working without permission. [passage omitted]

Li will spend tomorrow playing golf with senior Thai businessmen—Chatri Sophonphanit, of the Bangkok Bank, Uthen Techaphaibun, of the Bangkok Metropolitan Bank, Saman Ophatwong, a major rice exporter to Taiwan, and Wisit Wirasithom, owner of the Wall Street Tower—and go sightseeing at Pang-Nga Bay, the source said. Tomorrow night he will host a return dinner party for Amnuai and the businessmen at the Sheraton Hotel. [passage omitted]

Prime Minister Chuan Likphai and Foreign Minister Prasong Sunsiri have stressed the government's adherence to a one-China policy. However they also said senior people from Thailand's economic partners, such as Taiwan have a right to make private visits.

Chuan, unlike Ramos and Suharto, has refused to receive Li during his three-day visit. [passage omitted]

#### **Amnuai Says Li Meeting Possible**

*BK1302122694 Bangkok ZHONG HUA RIBAO in Chinese 13 Feb 94 p 4*

[Excerpts] Speaking to reporters, Deputy Prime Minister Amnuai Wirawan denied a report that President Li Teng-hui would visit Thailand as his guest. But he did not rule out the possibility of meeting with President Li Teng-hui. He said: "I don't know whether I will meet him or not. Even if there is a meeting, it will not be an official one. I think that it is acceptable if one wants to have a private meeting with an old friend."

He said that President Li Teng-hui's visit to Thailand is simply a vacation trip which has nothing to do with the Thai Government. Such a visit will not undermine Thai-Chinese relations. He said that Thailand upheld the policy of having political dialogue with Beijing only, and not Taiwan. Thailand only has economic relations with Taiwan, which includes investment, labor, and technology exchanges. [passage omitted]

**Prime Minister Defends Visit**

*BK1302102494 Bangkok THE NATION in English  
13 Feb 94 p 1*

[Excerpts] Prime Minister Chuan Likphai yesterday defended the country's right to allow an unofficial visit by Taiwanese President Li Teng-hui against criticism from Beijing.

Chuan said Thailand had the freedom to allow any visitor into the country. He reaffirmed the government's adherence to a "one-China" policy, but said Li had a right to make a private trip to Thailand.

"We should show principles in conducting our (foreign) policy. We have the absolute freedom to do so," he said. "Otherwise the Dalai Lama could not have visited Thailand." [passage omitted]

The Chinese ambassador to Thailand, Jin Guihua, on Monday delivered a protest note to the Foreign Ministry, warning Thailand not to approve Li's visit. [passage omitted]

The premier said previous exchange trips between Taiwanese and Thai officials and frequent trips by the private sector in the past were normal for countries with economic relations. [passage omitted]

**Editorial Favors Exploiting Visit**

*BK1202103394 Bangkok SIAM RAT in Thai 12 Feb 94  
p 4*

[Editorial: "A Chinese Issue"]

[Excerpts] Taiwan President Li Teng-hui is making use of the Chinese New Year break to tour Indonesia and Thailand. Although the trip is announced as private, the PRC is certain to react unfavorably because Beijing will try to impose its "One China" policy on the countries with which it maintains relations.

Indonesia does not appear to pay much attention to China, as evidenced by the reception accorded by President Suharto to the Taiwanese president. By contrast, the Thai Government will not have any official part in the Taiwanese president's visit.

On behalf of the Thai Government, Foreign Minister Squadron Leader Prasong Sunsiri stated that Thailand firmly maintained the "One China" policy and that the government had nothing to do with the Taiwanese president's visit. He said Li's visit concerned trade and investment matters and did not involve international political activities. [passage omitted]

Thailand has been a good friend of China. It has graciously implemented correct policies regarding China and Taiwan. However, taking into account the national interests, there is no reason for Thailand to neglect economic relations which could grow as result of the Taiwanese president's private visit. This is the way every country in the world operates.

We are confident that the Thai foreign ministry will be able to explain and gain China's understanding. We also are confident that China will be broadminded enough to accept the undeniable reality.

**Chinese Envoy Meets NSC Chief**

*BK1202090094 Bangkok BANGKOK POST in English  
12 Feb 94 p 2*

[Excerpts] The Chinese Embassy in Bangkok yesterday continued to show Peking's "concern" about the private visit to Thailand of Taiwanese President Li Teng-hui next week.

National Security Council [NSC] Secretary General Charan Kunlawanit said the Chinese Embassy counsellor called on him at Government House yesterday to express his government's "concern" about Mr. Li's visit which will begin on Monday.

He said he told the Chinese envoy that the visit was private and had nothing to do with any state agencies, including the NSC. The invitation was extended to the Taiwanese president by the Thai private sector, and the visit was, therefore, not recognized by the government.

Gen. Charan said the Chinese envoy was concerned that the visit, although private, might affect good relations between Thailand and China. He said he assured the envoy of Thailand's strict adherence to the one-China policy and asked him not to worry too much. He said he was not aware of the full details of Mr. Li's itinerary except for a vacation in Phuket. [passage omitted]

Gen. Charan said he exchanged views with the embassy counsellor about regional cooperation on narcotics suppression.

Foreign Minister Squadron Leader Prasong Sunsiri said that no Thai cabinet ministers would meet the Taiwanese president either in their official or private capacities. He said he had no plan to meet Mr. Li, and would turn down such a request if one was put to him. [passage omitted]

Asked if there was any possibility of the Taiwanese president discussing economic issues with economic ministers, Sqn. Ldr. Prasong said "no."

The minister said he did not pay attention to details of the visit when asked if he knew how many days Mr. Li would stay in Thailand.

Government Spokesman Aphisit Wetchachiwa stressed the private nature of President Li's trip, and said Thailand was a free country open to visitors. The spokesman said there was substantial business activity between Thais and Taiwanese, and that a large number of Thais were working in Taiwan.

### **Fiscal Policy Official Rejects U.S. Criticism**

*BK1402061094 Bangkok THAILAND TIMES in English 14 Feb 94 p A3*

[Text] Bangkok—Fiscal Policy Office Director General Somchai Ruchuphan yesterday denied U.S. allegations accusing the Thai tax system of not meeting international standards, and said the U.S. itself has used the same tax methods Thailand uses on certain products.

The director, in response to U.S. condemnation of the tax system in Thailand, said Thai tax calculation is based on the quantity and price of goods purchased, much the same as in many foreign countries. However, according to the General Agreement on Tariffs and Trade (GATT), taxes must be levied as a percentage of the value of the goods.

Thailand uses this method because tax on some kinds of products can not be easily calculated. For example, the Customs Department sometimes fails to receive the correct prices of import products from the importers.

A product may be priced at 1,500 baht, but the information given to the department claims that the price is only 1,000 baht. The system of Thai taxation has been quite effective for the most part, Somchai said, but he admitted there is still room for improvement.

Economics Business Department Director General Kroekkrai Chiraphaet reaffirmed Somchai's statement and said the United States, along with several other foreign countries, is responsible for accusing Thailand of violating tax regulations as well as making some changes to its collection system which was supposedly agreed upon in the GATT. The accusations are not entirely true, he said.

### **Cabinet Urged To Decide on Aircraft Deal**

*BK1302114994 Bangkok THE NATION in English 13 Feb 94 p A2*

[Text] The Defence Ministry has asked the Cabinet to speed up an agreement on bartering agricultural products for a fleet of six Italian G-222 aircraft before the price soars out of reach, a source said yesterday.

The source said the Cabinet, on 2 November last year, resolved that the Ministries of Defence, Commerce, Agriculture, and Foreign Affairs negotiate with the Italian government to barter farm produce for six G-222 planes on behalf of the Royal Thai Air Force. But to date, the ministries have not been able to finalise details of an agreement with the Italians and further delay will likely mean that the price of the aircraft will become too expensive.

The aircraft, worth about 3.4 billion baht including spare parts and the cost of training, would be accounted for in the fiscal period to 1998.

To accelerate the barter process, the Defence Ministry has proposed the Cabinet assign the ministry to handle

the task. Alternatively it suggested waiting until the four ministries come up with some solutions, but this would have to be soon.

According to the source, the Defence Ministry preferred forwarding the issue for debate by the Cabinet, so as to avoid further delay.

### **Deputy Premier Reports Trade Talks With Burma**

*BK1202135694 Bangkok Voice of Free Asia in Thai 1030 GMT 11 Feb 94*

[Text] Deputy Prime Minister Dr. Amnuai Wirawan was on a visit to the Union of Burma to attend the second ministerial meeting on cooperation in narcotics suppression between the Union of Burma, the Lao People's Democratic Republic, and Thailand, which was held in Rangoon on 10 February. Commenting on his visit, Dr. Amnuai said that Prime Minister Chuan Likphai might visit the Union of Myanmar [Burma] in the near future in order to forge ties between the leaders of the two countries in their pursuit of national development, especially in the areas of investment. Amnuai said the Burmese Government has in the past few years adjusted its policies in line with economic realities, and has opened up the country more for foreign investment. Several countries have already had investment ventures in Burma. They are, for example, the United States, Japan, and South Korea.

Concerning Thailand, the deputy prime minister noted that, although Thailand's investment in Burma has been recorded as high as 220 million U.S. dollars, there is still little investment in major projects such as opening factories. It is hoped that there will be bigger projects in future. Thailand should explore new possibilities for investment in Burma, taking into account the advantages offered by Burma, such as its cheap labor and rich natural resources. Besides, investment in Burma will involve new technologies, especially the development of telecommunications, and communications infrastructure. Burma also needs technical cooperation to develop its natural resources, including mineral ores and zinc; its water sources, including the Salween River; and its natural gas deposits.

The deputy prime minister said both sides agreed in principle about cooperation, but some obstacles emerged when they went into details. He therefore proposed that there should be a plan on cooperation. In 1993, Thailand proposed to the Burmese Government a draft memorandum of understanding on the development of the Salween River for irrigation and for power generation. It is still being studied by the Burmese Government. Meanwhile, the Thai private sector, namely, the Petroleum Authority of Thailand, also has a plan to buy natural gas from the Gulf of Martaban in Burma. A survey has been made for the laying of gas pipelines. What is left to be done is price bargaining with the Burmese authorities. Regarding logging in Burma, Dr. Amnuai Wirawan said Burma had no policy to block off the trade, but it said it needs time to make a survey of Burma's natural

resources in order to plan a long-term exploitation. On this, Thailand offered to cooperate with Burma.

### **Minister Surin Reports on Indonesia Talks**

*BK1202115594 Bangkok Voice of Free Asia in Thai 1030 GMT 11 Feb 94*

[Excerpt] Deputy Foreign Minister Dr. Surin Phitsuwan reported after his return from an official visit to Indonesia on 7-8 February that he held consultations with Indonesian Foreign Minister Ali Alatas on the strengthening of bilateral ties and the implementation of the Growth Triangle program involving Indonesia, Thailand, and Malaysia. The deputy foreign minister said that both sides agreed, after discussion, to set up a consulate in each country. Indonesia wanted its office set up in Songkhla Province, whereas Thailand would open its in Medan, north of Sumatra. The date for the opening of the offices has not been decided. Surin said they also discussed an amendment to the agreement on the avoidance of double taxation and on investment protection. It is expected that the two countries will be able to sign the agreement during the second meeting of the joint Thai-Indonesian general committee, which is scheduled to be held in Bangkok on 23-26 August. The Indonesian foreign minister will be here to jointly chair the meeting with the Thai foreign minister.

The Thai deputy foreign minister and the Indonesian foreign minister also discussed the problem of violations of Indonesia's exclusive economic zone by Thai fishing trawlers. Both sides shared the view that, in order to solve the problem, the issue must not be treated in isolation, but there should be a control on investment in industries related to fishery such as the setting up of ice factories. [passage omitted]

### **King Welcomes Czech President on Visit 11-14 Feb**

*BK1102155094 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 11 Feb 94*

[Text] His Majesty the King and Princess Maha Chakkri Sirinthon arrived at 1415 today at the Bangkok International Airport to welcome President Vaclav Havel of the Czech Republic and his wife, who are on an official visit to Thailand as guests of their Majesties the King and Queen. Also present at the airport to welcome the royal guests were members of the Privy Council, the prime minister and his deputies, the cabinet ministers, and senior government officials.

After greeting his guests, His Majesty the King led President Vaclav Havel for a review of the guards of honor. After the ceremony, they went to the reception

hall, where the king presented to the Czech president his privy councillors, cabinet ministers, and senior government officials. The king and the Czech president, accompanied by his wife, then went to the Bangkok Pavillion, where the Czech president was presented with the key to Bangkok. The Bangkok governor made a speech to welcome the visitors. The Czech president spoke of his pleasure at visiting Thailand and expressed his thanks for the welcome.

After the ceremony at the Bangkok Pavillion, His Majesty the King and Princess Sirinthon accompanied President Havel and his wife to Baromphiman Throne Hall, which will be the residence of the royal guests during their stay in Thailand until 14 February.

At 1709, Their Majesties the King and Queen, and Princess Sirinthon, granted an audience to the Czech president and his wife at Chitlada Palace. Their Majesties host a dinner in honor of the Czech president and his wife at Chakkri Throne Hall tonight.

### **Suphachai on Trade Relations with Laos, U.S.**

*BK1102121394 Bangkok Radio Thailand Network in Thai 0530 GMT 11 Feb 94*

[Text] Deputy Prime Minister Suphachai Phanitchaphak said in an interview with newsmen that the Lao Government had asked Thailand for a special reduction on duties collected on imports from Laos. Laos said it is a poor landlocked country which has good brotherly relations with Thailand. The tariff reduction would help promote Laos' exports through Thailand. Suphachai said the Coordinating Committee on Economic Affairs Policy considered that Thailand should comply with Laos' request. Thailand has already granted special tariff reductions for several categories of goods from Laos. The committee had put the Foreign Trade Department of the Commerce Ministry in charge of negotiations with Laos. Thailand also wants Laos to reduce transit fees on trucks from Thailand—now collected at the rate of 2,000 U.S. dollars, or about 50,000 baht, per trip.

The deputy prime minister reported that at yesterday's meeting the Coordinating Committee on Economic Affairs Policy endorsed the U.S. Government's proposal to set up a joint advisory committee on economic affairs, with full power in decision making regarding negotiations on trade and economic cooperation. Asked about the U.S. Government's decision on Thailand's status as a country on its Priority Watch List, or PWL, facing retaliation under the U.S. trade law, the deputy prime minister said it was very likely that the United States would remove Thailand from the list, but it is still not known when. This is because of Thailand's good record in cracking down on violations of U.S. copyrights, including the pirating of copyrighted video tapes and discs.

**Trade Agreement With Ukraine Noted**

*BK1102094394 Bangkok Radio Thailand Network in  
Thai 0530 GMT 11 Feb 94*

[Text] A ceremony will be held at the Commerce Ministry this afternoon during which a trade agreement between Thailand and Ukraine will be signed. This will mark a major step in opening up trade relations between

the two countries. Deputy Commerce Minister Churin Laksanawisit said that, after today's signing ceremony, a working group on trade between Thailand and Ukraine would be set up within two months. In the first stage, Thailand would like to import 400,000 tons of steel from Ukraine, while it will offer to sell to Ukraine natural rubber and consumers goods. Thailand will send a trade delegation for talks with Ukraine soon.

**Australia****McMullan on U.S.-Japan Talks, Opposes Targets***BK1402112694 Melbourne Radio Australia in English  
0500 GMT 14 Feb 94*

[Text] The Australian Government says it expects the United States and Japan will reach an agreement on trade, thus averting the prospect of a trade war. The two countries are in dispute over American access to the Japanese market with Japan resisting a push by the United States for specific targets.

Australia says it favors any opening of the Japanese market, but is opposed to any managed trade targets. Trade Minister Bob McMullan says Australia has been monitoring events through its embassies and Tokyo.

[Begin McMullan recording] I have issued an instruction to both embassies to reiterate Australia's concerns to those governments that we would be concerned if there was a failure to reach an agreed outcome. But at this stage, I think it is too early to talk about looming trade wars. There is robust debate about how a dispute that both sides regard as important, but I don't think it is beyond the capacity to resolve it. [end recording]

**Keating: Envoy To Question More Dili Killings***BK1202100194 Melbourne Radio Australia in English  
0500 GMT 12 Feb 94*

[Text] Australia's Prime Minister Paul Keating says new report of further killings following the 1991 massacre in Dili in East Timor will be raised with the Indonesian Government by Australia's ambassador in Jakarta.

A British television documentary released this week claims many survivors of the Dili massacre were later killed by Indonesian troops as they lay in hospital beds. Mr. Keating says the Australian Government will seek further information from the Indonesian foreign minister on the claim. The Australian journalist, John Pilger, has claimed in a new documentary that a form of genocide has been going on in East Timor for 18 years. In the documentary called *Death of a Nation*, Mr. Pilger, alleges there were three massacres in Dili in 1991. Unidentified people in the film claim they were tortured by the Indonesian military. The film also shows footage of bones being unearthed from what is alleged to be a mass grave. Mr. Pilger said the film should provoke new condemnation of Indonesia and further investigation.

**Industry Moves To Supply Arms Throughout Asia***BK1202125494 Melbourne Radio Australia in English  
0500 GMT 12 Feb 94*

[Text] Australia's defense industry is making an unprecedented push to supply arms to buyers throughout Asia. Defense trade commissioners are being posted to Bangkok, Jakarta, and Kuala Lumpur. Evan Williams

reports a high-level defense industry delegation has just finished its first mission to Thailand.

[Begin Williams recording] Australia's public and private defense contractors explored areas of interests with Thailand's Armed Forces and it will hold more meetings on specific projects in three months. Australia is trying to capitalize on naval and communications technology as many Asian nations upgrade their Armed Forces. Thailand is building a blue-water Navy and wants new rifles for its entire Army among other major acquisitions. Australian officials say deals with Thailand alone could be worth billions of dollars. Proximity and developing a balance of trade are seen as advantages in competing with bigger arms suppliers in the region. [end recording]

**Papua New Guinea****'Propaganda' Radio To Counter Rebels Planned***BK1102075494 Melbourne Radio Australia in English  
0630 GMT 11 Feb 94*

[From the "International Report" program]

[Text] The people of Bougainville might be short of most essential items, but they have an increasing number of radio stations to listen to. The Wingti government is spending about \$75,000 [Australian dollars] of Bougainville restoration program fund on setting up a government propaganda station, but as Sean Dorney reports, the station might be illegal.

[Begin Dorney recording] Bougainvillians already have one government-funded radio station to listen to—Radio North Solomons—run by the National Broadcasting Commission, the NBC, which has an independent charter somewhat similar to that of the ABC. But Radio North Solomons, which had to abandon its original facilities in Kieta in central Bougainville in 1990 and operated out of Ribaul until shifting back to Buka Island about a year ago, is apparently too independent for the Wingti government.

This new radio station, which is to be called Radio Bougainville, is going to be quite different to Radio North Solomons, according to the Papua New Guinea [PNG] Government's daily information release, *BOUGAINVILLE TODAY*. It says the new station's objectives will differ from the NBC's station in that it will enable the people to hear government news and, what it calls, awareness programs. The station is to be located at Loloho in central Bougainville—not far from the areas of the island still under the control of the BRA, the Bougainville Revolutionary Army.

The BRA station, Radio Free Bougainville, has been a severe irritant to the government for quite some time now. It broadcasts rebel propaganda—much of it wildly exaggerated accounts of military encounters in which the BRA inevitably killed the PNG troops, while its own

men miraculously escaped injury. However, it does have some good sources in areas nominally back under PNG Government control, and occasionally causes the PNG military some embarrassment by revealing details of proposed military operations and even military briefings.

The idea of the government's station seems to be to counter that rebel propaganda. Needless to say, the NBC is not too happy about having a government-funded station competing with its Radio North Solomons, and the NBC chairman is in a position, at least on paper, to do something about it. Some years ago, the chairman, Sir (Okon Tololo), was given sole authority to approve or disapprove of any new radio station in PNG. He has not given his approval to the new government propaganda station. So, when it does go to air, unless the government provokes his present authority over such matters, the government's station won't be legal. [end recording]

### Vanuatu

#### Opposition Postpones Presidential Elections

*BK1402060594 Melbourne Radio Australia in English  
0500 GMT 14 Feb 94*

[Text] In Vanuatu, an election for the country's next president has been postponed because the opposition failed to turn up for the vote. South Pacific correspondent, Erina Reddan, reports that the ballot which requires the two-thirds majority is a crucial test for the government.

[Begin Reddan recording] Chief Justice Charles d'Imecourts rescheduled the vote to Wednesday. Justice d'Imecourts said he would hold the absent electorate in contempt of court if they did not explain. However, the two opposition members, who were present, said the opposition had received no writs. Although the chief justice accepted this as an explanation, he said they

would have known about the vote through the media, and that there was no political advantage from their action.

Meanwhile, the government's chance of having the two third majority it needs to elect the president is uncertain. The various opposition groups say they are about to sign a memorandum of understanding, bringing opposition numbers in the parliament up to 22, and they have hope of attracting defectors from the government ranks.

The government currently has 24 members. The opposition says it will renew its notice of no confidence vote in the prime minister. [end recording]

#### Strikers Threaten Withdrawal From Council

*BK1102065894 Hong Kong AFP in English 0644 GMT  
11 Feb 94*

[Excerpts] PORT VILA, Feb 11 (AFP)—Striking public service workers threatened Friday to withdraw from Vanuatu's umbrella union council after four of their members were handed six-month suspended jail sentences. Vanuatu Public Service Association (VPSA) coordinator Joseph Watsuh said his union may pull out of the Vanuatu Council of Trade Unions (VCTU) because it had failed to support his members in court.

Watsuh said he was satisfied with the judgement of the Vanuatu Supreme Court but the union was disappointed no member of the VCTU had attended the hearing. "VCTU put us in a difficult situation, and it looks like they don't back us when we're in trouble", Watsuh said. [passage omitted] "We'll meet with the VPSA executive," Watsuh said, adding: "In the meantime, we might decide not to follow any more calls from the VCTU."

The four defendants sentenced Friday were among 50 arrested by police when violence broke out at a picket in a government building here on Tuesday after the VCTU called a general strike. [passage omitted]

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